

RAND

Korean Arms Control

*Political-Military Strategies,
Studies, and Games*

Richard E. Darilek, James C. Wendt

Arroyo Center

DISTRIBUTION STATEMENT A:
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20041208 044

The research described in this report was sponsored by the United States Army, Contract No. MDA903-91-C-0006.

Library of Congress Cataloging in Publication Data

Darilek, Richard E.

Korean arms control : political-military strategies, studies, and games / Richard E. Darilek and James C. Wendt.

p. cm.

"Prepared for the U.S. Army."

"MR-489-A."

ISBN 0-8330-1589-3

1. Arms control—Korea. I. Wendt, James C., 1944– .

II. United States. Army. III. Title.

JX1974.D345 1994

327.1 '74 '09519—dc20

94-31163

CIP

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Published 1994 by RAND

1700 Main Street, P.O. Box 2138, Santa Monica, CA 90407-2138

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*Korean Arms Control
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*Prepared for the
United States Army*

MR-489-A

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Preface

In the fall of 1991, during the sixth biennial Defense Analysis Seminar (DAS VI) held in Seoul at the Korea Institute for Defense Analyses (KIDA), representatives of three institutions—KIDA, the U.S. Army's Concept Analysis Agency (CAA), and RAND—laid plans for a joint project to address arms control on the Korean peninsula. Two years later, at DAS VII in Seoul, the three participating institutions reported on the results of their joint study.

The original terms of reference for the project specified that each of the participating institutions would be primarily responsible for a particular phase in the joint work effort. The third and final phase was RAND's responsibility, which included, among other tasks, pulling together results from the other phases of the project and synthesizing them into an overview presentation.

This publication presents the overview and synthesis of joint project results that RAND produced in accordance with the original terms of reference. An expanded document, to be published by CAA, will follow and will include contributions to the joint effort from both KIDA and CAA. In addition to the overview, certain specific project activities, such as the political-military negotiating game that RAND conducted at KIDA in April 1993, are reported here. Thus, a detailed account of the game appears in the appendices of this publication.

The first part of this document should prove useful to policymakers and analysts interested in political-military affairs on the Korean peninsula, including issues surrounding the possibility that North Korea has been attempting to acquire a nuclear weapons capability. The second part of the report contains a detailed account of such issues as they evolved during the course of a political-military game conducted in Seoul, which brought together both Korean and U.S. governmental and nongovernmental officials for the exercise. This second part of the report (Appendix A) should appeal to operators as well as analysts because of the interesting simulation of arms control and nuclear proliferation dynamics on the peninsula that it provides.

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Army Regulation 521 contains basic policy for the conduct of the Arroyo Center. The Army provides continuing guidance and oversight through the Arroyo Center Policy Committee (ACPC), which is co-chaired by the Vice Chief of Staff and by the Assistant Secretary for Research, Development, and Acquisition. Arroyo Center work is performed under contract MDA903-91-C-0006.

The Arroyo Center is housed in RAND's Army Research Division. RAND is a private, nonprofit institution that conducts analytic research on a wide range of public policy matters affecting the nation's security and welfare.

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Summary

This project addresses arms control on the Korean peninsula and represents a joint effort undertaken by three separate institutions dedicated to public policy research and analysis: the Korea Institute for Defense Analyses (KIDA), the U.S. Army's Concept Analysis Agency (CAA), and RAND. The project was truly joint in that not only was each institution responsible for separate tasks and discrete phases in the overall effort, which is true for almost any joint project, but the sum of all of their separate endeavors actually came together in synergistic fashion. In the end, all three participating organizations could look back on the project with confidence that their particular contributions were integral and indispensable parts of the final result.

That result, in brief, was the creation of three fundamental negotiating strategies for dealing with the Democratic People's Republic of Korea (DPRK) on arms control issues. These strategies were built around three different explicit assumptions about the DPRK's governing regime and its policies. The first assumption is that the regime as we now know it, and its current political-military policies, which seem to be moving relentlessly in the direction of acquiring nuclear weapons, does *not* change. The second assumption is that the regime *does* change dramatically to include the possibility of a leadership change and the probability of a change in nuclear policy, which shifts decisively toward abandonment of the nuclear option. The third assumption lies, conceptually, somewhere in between the other two. It presumes that the DPRK returns to something approximating its former (pre-1993) positions on the nuclear issue; these positions tend to suggest that a significant degree of uncertainty (involving possibilities for change in either direction—toward or away from nuclear weapons) might characterize the further development of DPRK security policies.

Arms control negotiating strategies, however, must be based on more than assumptions or hypotheses about the nature and status of one's opponent, even though these may be critical variables. Equally important for purposes of constructing any arms control strategy are the essential elements, or "arms," to be negotiated and, presumably as a result, "controlled." KIDA contributed a working definition of the essential elements involved for the DPRK and the Republic of Korea (ROK). They were presented in the form of 10 issues, which can be summarized and grouped into five essential elements of any arms control strategy vis-à-vis the DPRK, as shown in Figure S.1.

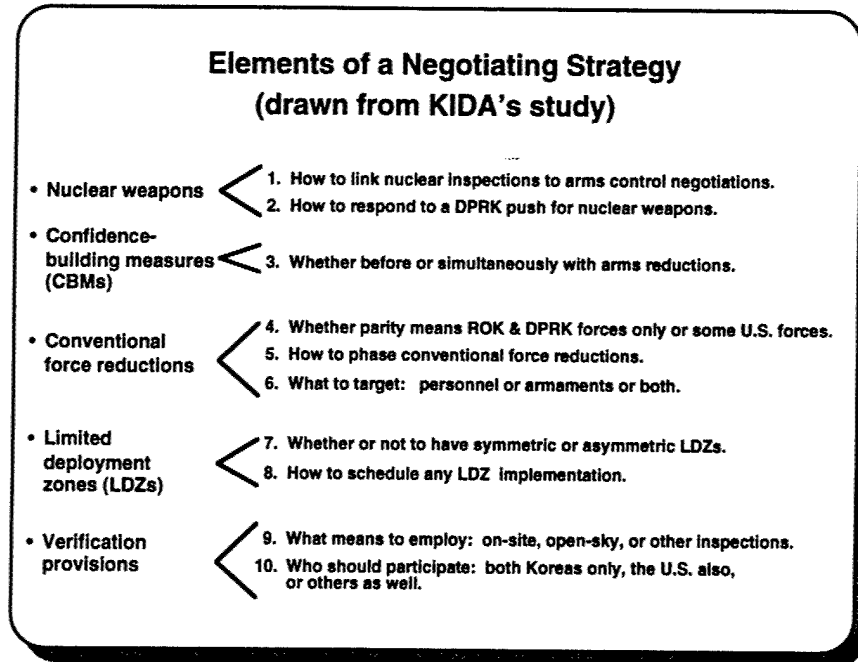


Figure S.1

The 10 issues originally identified by KIDA played a formative role in the first phase of this joint project. These issues set the agenda and served as the main questions to be addressed in a series of political-military games and analyses conducted by CAA during the project's second phase.

For two weeks in July 1992 and one week in February 1993, CAA conducted intensive gaming exercises involving participants from all three institutions as well as U.S. government officials in Washington, D.C. Some of the results of these games, which featured negotiating sessions between and among teams representing the DPRK, the ROK, and the U.S., were later subjected to "what if" analyses that made extensive use of CAA's theater-level computer simulation capabilities. The results of these modeling efforts revealed the potential consequences of various negotiating positions were a war to be fought after an agreement on those positions had been reached.

In the third phase of this project, RAND used political-military gaming as a tool of policy analysis. It planned and conducted an arms control negotiating game, again based in part on KIDA's 10 issues, that sought to take into account late-breaking developments on the Korean peninsula. With a number of ROK government officials participating, the RAND game took place in Seoul during April 1993, shortly after the DPRK served notice that it intended to withdraw

from the Non-Proliferation Treaty (NPT). This negotiating game in Seoul focused more heavily on the nuclear issue than CAA's games of the preceding summer. Taken together, however, the two sets of games supplied a robust array of data and insights; these span a gamut of arms control possibilities raised in various times and places.

Having identified five essential elements of arms control for Korea, as well as having hypothesized three different bases upon which the DPRK might negotiate these elements—i.e., the assumptions about (1) no change in the DPRK's current regime or nuclear policies; (2) a big, dramatic political-military change in the DPRK; and (3) a return to uncertainty about the DPRK's future course—it became possible to construct a specific analytical approach. That approach promised both to bound the overall problem and to produce relevant conclusions relating to each component of the analysis. The approach is represented graphically in Figure S.2.

As the partner in charge of the joint project's third phase, with responsibility for synthesizing the overall results, RAND pursued this analytical approach to its ultimate conclusion, namely, the creation of three alternative strategies that the ROK and the U.S. might decide to pursue if either or both of them were ever to negotiate arms control arrangements with the DPRK. Perhaps the best way to

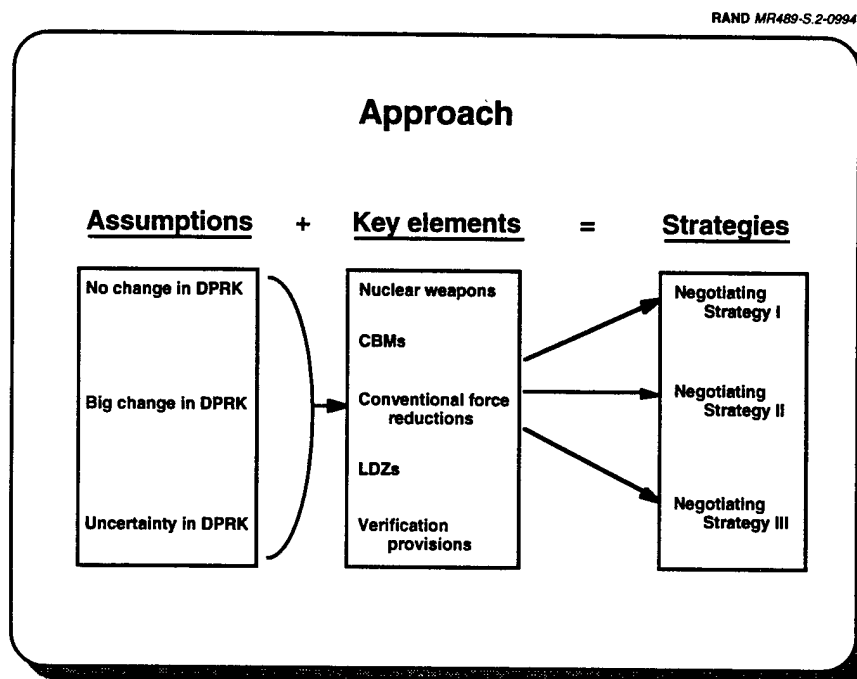


Figure S.2

encapsulate or label the first of these strategies is to affix the word “pressure” to it. Clearly, maintaining international pressure on the DPRK—to accept both the routine and the challenge inspections required under the NPT regime and to proceed with the bilateral DPRK-ROK inspections endorsed by both sides in 1991—is the first order of business. Without resolution of these and other nuclear proliferation issues with the DPRK, arms control initiatives on other fronts will not have a chance to succeed.

Nevertheless, pressure on the nuclear front does not mean, nor should it imply, the absence of pressure on other arms control issues. For a variety of reasons (e.g., the possibility that the DPRK, if it acquires a nuclear weapons capability, might turn around and accept some “prenuclear” conventional arms control proposal that would no longer be appropriate), the U.S. and the ROK should also develop a broad nonnuclear arms control strategy. Such a strategy would seek to reinforce the international efforts already being pursued to halt the DPRK’s apparent push for nuclear weapons and would add a new arms control dimension to those efforts.

The one word that can be used to summarize and label the second negotiating strategy for arms control is “influence.” This second strategy is based on the assumption that dramatic political changes have occurred in the DPRK. Hence, the overarching objective of the strategy is to transform the DPRK even more, by trying to shape the further political-military development of a reform-minded leadership. Logically, this means trying to “influence” the future direction of North Korean development. Formulating a strategy for arms control in support of this objective, therefore, is tantamount to trying to achieve and maintain influence over DPRK security policy.

If uncertainty about the future course of DPRK policy is assumed, rather than either the status quo or dramatic political-military change, then the question is how to move that policy in directions favorable to both ROK and U.S. interests. Our third arms control negotiating strategy addresses that question. For want of a better term, this strategy carries the one-word label “leverage.” That term seeks to convey the essence of the root word, lever, which involves dislodging something as a way of achieving one’s purpose. In this case, since the objective is to move an uncertain DPRK policy in more favorable directions, ROK and U.S. policies need to supply the means, via arms control, for prying the DPRK away from its uncertainty about making constructive arms control arrangements with the ROK (as opposed to making nuclear weapons).

Figure S.3 shows that certain arms control elements appear to remain fairly constant across the range of possible strategies. For example, CBMs tend to play

Summary			
<u>Elements</u>	<u>Strategies</u>		
	<u>I—Pressure</u> (Assumption: no change)	<u>II—Influence</u> (Assumption: big change)	<u>III—Leverage</u> (Assumption: uncertainty)
• Nuclear weapons	Push inspections; prepare sanctions	Lock in “no-nukes” policy of DPRK	Maintain carrot-and-stick approach
• CBMs	Press for CBMs first	Push for early implementation	Pursue separate deal and various fora; implement CBMs first
• Conventional force cuts	Stiffen required DPRK force cuts	Be serious, stay flexible; early cuts possible	Suggest U.S. participation and trading asymmetries
• LDZs	Call for early-on, as a CBM	Treat with force cuts, not CBMs	Treat with force cuts, not CBMs
• Verification provisions	Demand full-scope regime, even for CBMs	Develop phased, differentiated approach	Tailor separate means to various fora and objectives

Figure S.3

leading roles in every case, although the reasons for this differ in each case. Furthermore, verification provisions are critical to the success of any arms control agreements concluded between the DPRK and the ROK, under whatever negotiating strategy is being pursued.

As for the strategies themselves, Figure S.3 indicates that the first strategy, “pressure,” differs from the other two primarily in its emphasis on forcing the DPRK to change its current position on nuclear issues. The strategy itself would not be relied on to force such a change; other measures not necessarily associated with arms control—for example, the “sanctions” referred to above—would more likely be counted upon to do so. Nevertheless, pursuit of this arms control strategy, which seeks above all to protect U.S. and ROK interests, comes closest to accepting the risks of instability, including war, on the peninsula in order to bring the DPRK’s apparent push for nuclear weapons to an end.

Of the other two strategies, the second, “influence,” assumes the nuclear issue away and poses few, if any, risks to stability as a result, while the third strategy, “leverage,” tries to solve the nuclear problem with a judicious combination of incentives and disincentives. These derive, in large measure, from conventional arms control possibilities. The third strategy, therefore, is the one that seeks to use arms control most creatively. It treats arms control as a tool of international

policymaking that can positively affect the political-military decisions of governments and actively contribute to the achievement of worthwhile objectives—such as security, stability, and nonproliferation on the Korean peninsula. This strategy only works, however, on the assumption that DPRK nuclear policy is uncertain enough to be susceptible to inducement, or at least capable of movement in one direction or the other.

Acknowledgments

The authors would like to express their thanks to Mr. Walter W. Hollis, the Deputy Under Secretary of the Army for Operations Research, for encouraging establishment of the joint project that fostered this report and for consistently maintaining an active interest in the project's results through every phase of its development.

A special note of thanks also goes to our collaborators at KIDA who directly supported the political-military game conducted in Seoul during April 1993, an account of which appears in this report; in particular, we wish to thank Dr. Oh, Kwan-Chi; Dr. Cha, Young-Koo; Dr. Nam, Man-Kwon; Dr. Park, Ju-Hyun; and Mr. Moon, Kwang-Keon.

We are equally indebted to our colleagues at CAA—Mr. E. B. Vandiver III, the director; Mr. John Elliott, leader of the joint project; and the analysts who served as rapporteurs for the game in Seoul, Ms. Julia Fuller and Major Barry Bazemore, USA—and to our colleague at RAND, Dr. Kongdan Oh, who provided an invaluable after-action report and analysis of the game's developments.

Last but not least, we would like to thank James A. Winnefeld of RAND for his timely and constructive review of an earlier draft of this document.

1. Introduction

During the sixth biennial Republic of Korea (ROK)–U.S. Defense Analysis Seminar (DAS VI), which convened September 9–13, 1991, at the Korea Institute for Defense Analyses (KIDA) in Seoul, KIDA, the U.S. Army's Concepts Analysis Agency (CAA), and RAND initiated a joint project on Korean arms control. The project's focus was on the Korean peninsula and on arms control issues involving North and South Korea, as well as the U.S. (see Figure 1).

The overall plan was for the joint study to be conducted in three phases over a two-year period and for results to be reported at DAS VII in Seoul, which was scheduled for September 13–17, 1993. Each of the participating institutions was to take responsibility for one of three phases in the effort, with the others playing a supporting role when they were not in the lead (see Figure 2).

KIDA took charge of the first phase of the project and produced an analysis of key issues involved in the study of Korean arms control. The KIDA paper identified 10 major arms control issues for the Korean peninsula. These issues

RAND MR489-1-0994

Background

- Joint project launched in September 1991
 - Planned for two years, with three phases.
- KIDA produced a study of key arms control issues (Phase I).
- CAA conducted a series of games and simulations in Washington keyed to KIDA's issue (Phase II).
- RAND conducted a political-military game in Seoul; synthesized joint project results (Phase III).
- Since 1991, RAND's Arroyo Center has also completed three other projects on Korean arms control.

Figure 1

Joint Project Research Activities

- **KIDA:**
 - Analytic study
 - Support for pol-mil, other games
- **CAA:**
 - Pol-mil and other gaming
 - Simulation of results
- **RAND:**
 - Pol-mil gaming and support
 - Negotiating strategies.

Figure 2

were then analyzed in terms of potential ROK, Democratic People's Republic of Korea (DPRK), and U.S. positions with respect to each. KIDA also identified various alternative formulations of, or options pertaining to, particular issues.

In the second phase of the project, CAA assumed responsibility for taking the issues raised in KIDA's Phase I effort and exploring them in depth. With the aid of a variety of research tools at its disposal, CAA examined each of the 10 issues addressed in KIDA's paper.

Political-military gaming figured prominently among the tools that CAA employed, as did the use of CAA's main theater-level warfighting model, the Concepts Evaluation Model (CEM). The CEM was used to simulate potential military consequences of wars fought under the assumption that various arms control conditions had taken effect. These conditions derived from CAA's political-military games, which involved teams (representing the ROK, the DPRK, and the U.S.) charged with actively negotiating the arms control issues identified in KIDA's paper, or from a particular interest in certain "what if" excursions, which explored some of the issues in greater detail.

Responsibility for the third phase of the joint project fell to RAND. Political-military gaming figured prominently in this phase of the project as well, with RAND conducting an arms control negotiating game for ROK and U.S.

government officials in Seoul during April 1993. (The main features and developments of this game are reported below in Appendix A.) In addition, RAND agreed to survey the different phases of the project and attempt to pull their cumulative results together in the form of an overview or synthesis of the project as a whole, preferably one couched in terms of various negotiating strategies for arms control on the Korean peninsula.

The product of RAND's survey and synthesis follows below in the various sections of this document. Section 2 presents the assumptions that frame much of the subsequent analysis. Section 3 summarizes the approach taken in pursuit of the project's goal, namely, to develop various negotiating strategies. Sections 4, 5, and 6 each describe a particular negotiating strategy—one keyed in each case to the different assumptions presented in Section 2. Section 7 concludes with a summary of, as well as further observations on, the various negotiating strategies developed and analyzed in the project.

Appendix A follows with an account of the RAND political-military game, which forms part of the evidentiary basis for the project's results and conclusions. Appendix B contains the blueprint or "game plan" that guided RAND's efforts during development of the game. Appendix C consists of a note explaining in general terms—i.e., without identifying them by name—who the game's player-participants were.

2. Assumptions

To construct negotiating strategies that the ROK and the U.S. might pursue in any quest for arms control arrangements with the DPRK, certain types of assumptions have to be made. The nature of present and future relationships between and among these three potential parties to any Korean arms control arrangements is simply too uncertain in the current circumstances to permit either more definitive or more unconstrained analysis. Indeed, without positing at the outset several alternative hypotheses about the state of tripartite political-military relationships, arms control analysis can hardly even begin. Enabling certain of the assumptions embedded in these hypotheses to play out, moreover, serves to define the contours and to shape the direction of particular negotiating strategies (see Figure 3).

One set of assumptions relates directly to the status of the governing regime in North Korea. Another set involves assumptions about ROK and U.S. policy objectives—in particular, for each of the alternatives postulated under the first set

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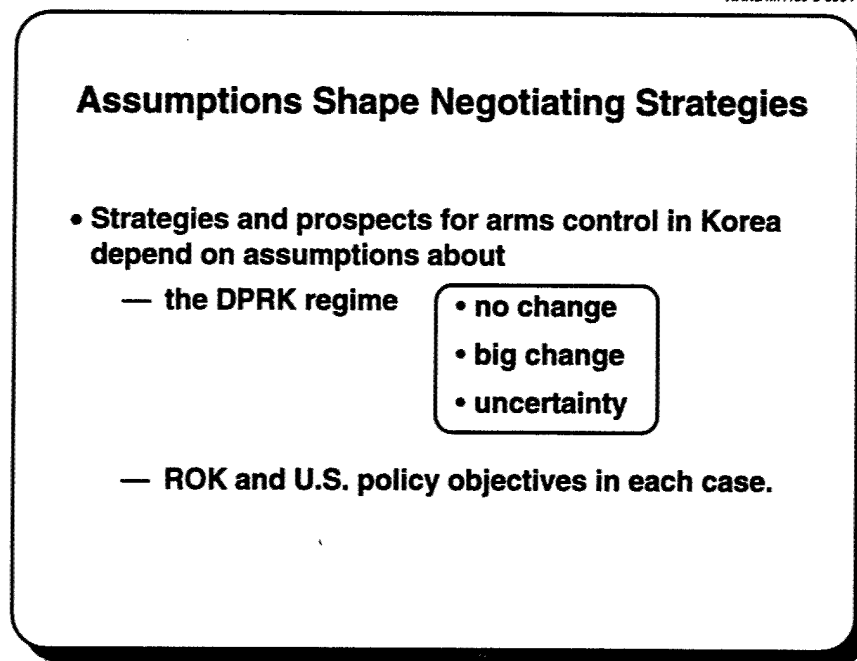


Figure 3

of assumptions, the second set postulates what these objectives might be. Associated with the second set of assumptions are important issues revolving around relationships between the ROK and the U.S. as allies. These include questions about who officially conducts any arms control negotiations with the North, whether U.S. forces are formally involved in any way, and who actually signs or is legally bound by any agreements reached.

- The first set of assumptions addressed in the project involves three different hypotheses about the status of the ruling regime in the DPRK. One hypothesis is that the regime as we now know it fails to change current priorities. The assumption here is that Kim Il Sung or his successor, whoever that may be,¹ will continue to pursue political-military policies aimed at preserving North Korea as perhaps the world's most totally controlled, completely closed society—policies that appear highly threatening to many of the DPRK's neighbors. Currently, the regime seems bent on acquiring some sort of nuclear weapons capability, despite its obligations under the Non-Proliferation Treaty (NPT) and to the International Atomic Energy Agency (IAEA).
- A second, alternative hypothesis employed in the project involves the prospect of North Korea undergoing a significant regime change, one which, at a minimum, removes Kim Il Sung, his son, Kim Jong Il, or others of the same political persuasion from power. In their stead, "reformers" take charge of the government. Although it is far from clear at this point what political views such reformers might hold (much less who they might be), a key assumption in this context is that they decide to abandon any hope of the DPRK acquiring nuclear weapons. Furthermore, they clearly signal an intent to deal constructively with the rest of the world on other important issues, such as the modernization and economic development of North Korea. These reformers may not abandon communism and become democratic capitalists (perhaps they even look to China for an alternative model of development), but they do repudiate and intend to change the forbiddingly closed, deteriorating society that North Korea under the Kims has become.
- The third alternative hypothesis addressed by the project centers around an assumption that the North Korean regime's intentions have been uncertain in the past and may be again in the future. Although the current regime seems intent at present on developing nuclear weapons, in the past that has not always appeared to be the case. In 1991, for example, the North regularly engaged in productive discussions with the South. These culminated in their

¹Since this writing, Kim Il Sung has died. His son, Kim Jong Il, replaced him.

mutual reconciliation agreement of December 13, 1991, as well as their joint declaration on denuclearization of the Korean peninsula on December 31, 1991. There have been times, in other words, when we could not be sure that North Korea intended to develop nuclear weapons.

Since 1991, however, relationships with the DPRK have deteriorated, largely because of the nuclear issue and the question of the North's ultimate intentions, which we now believe involve the development of nuclear weapons and their means of delivery. In retrospect, such intentions appear to have been operating all along, although (equally plausibly) they could simply be the result of relatively recent decisions. Either way, it is conceivable, at least, that political-military relationships on the Korean peninsula might improve in the future, thus recreating a situation in which North Korea's nuclear aspirations seem much less certain than they do today. For example, the DPRK might ultimately agree to both IAEA and North-South challenge inspections of suspected as well as declared nuclear sites. Such a move might not completely eliminate suspicion that the North was attempting to acquire nuclear weapons. Nonetheless, it would tend to move assumptions about the North's true intentions back into the realm of uncertainty.

At various times throughout its two-year course, therefore, the project pursued three different hypotheses, backed by three explicit assumptions, about the status and intentions of the North Korean regime. These differing and clearly opposing assumptions framed the project's research efforts, its gaming, and its analyses. The assumptions are summarized in Figure 4 in the form of three alternatives for the DPRK: "no change," "big change," or "uncertainty."

In addition, several implicit assumptions emerged during the course of the project. These relate to what U.S. and ROK policy objectives should be in view of, or in response to, the explicit assumptions about the DPRK outlined above. In our political-military gaming activities, for example, players were left to assume whatever they wished about U.S. or ROK policy objectives in any given case. The only thing they had to accept were the explicit assumptions (i.e., no change, big change, or uncertainty) that defined a particular case.

Left to their own devices for defining objectives, the players tended to make the implicit assumptions identified in Figure 4: face-saving submission; cooperation, partnership; or stability, engagement. Moreover, these assumptions manifested themselves in different sets of circumstances—namely, those indicated in Figure 4 by x's to identify the particular explicit assumption under which the various implicit assumptions appeared. In other words, a clear desire to find some face-saving way for the DPRK to submit to U.S., ROK, and other international

Explicit Versus Implicit Assumptions

<u>Implicit Assumptions</u>	<u>Explicit Assumptions</u>		
(About various ROK/U.S. policy objectives)	No change in DPRK	Big change in DPRK	Uncertainty about DPRK
• Face-saving submission (collapse)	X		
• Cooperation, partnership (transformation)		X	
• Stability, engagement (peaceful transition)			X

Figure 4

pressures on the nuclear issue revealed itself (during the project's political-military games) as the preferred policy objective in cases involving no change in the DPRK's current position on that issue.

In this same case (no change in the DPRK), and to the extent that differences arose over the implicit U.S. or ROK policy objective (face-saving submission), the variations tended to coalesce around notions that the current nuclear crisis might push the DPRK regime toward collapse. Such notions were used primarily to reinforce the main objective; for example, the danger of violent or otherwise catastrophic collapse of the DPRK was touted in games to support proposals for resolving the nuclear issue in ways that allow the North to save face. Implicit in some suggestions that the DPRK might collapse, however, was the notion that this was an opportunity not to be missed—for pushing the North toward collapse and for getting rid of its regime, even its country, once and for all.

The implicit policy objective in the second case (big change in the DPRK) proved to be a desire for cooperation and partnership with a North Korea that was apparently trying to reform by opening itself up to external influences. The assumption here was that the ROK and the U.S. could work together with such a reforming DPRK and help transform it into a modern developing country, one which might ultimately unite with South Korea in some fashion but, in any

event, would become a responsible member of the family of nations. Notions of peaceful revolutionary change and fundamental transformation—to include political as well as economic and military realignments over an extended period—were key to this policy objective. Under such assumptions, the imminent collapse of the DPRK appeared much less likely in the second case than it did in the first.

In the third case (uncertainty about the DPRK), the implicit policy objective that emerged during the project was the need to walk a fine line between the chance that the North might be up to no good on nuclear and other military security issues, on one hand, and the possibility that the DPRK might prove responsive to constructive overtures from the ROK and the U.S., on the other. The objective, in other words, is to strike a proper balance between sticks and carrots, between security requirements and economic or political opportunities, while keeping the North engaged in a constructive dialogue and maintaining stability on the peninsula. One assumption underlying this objective is simply the notion that peaceful transition is possible in the third case, which involves both potential catastrophe, as threatened in the first case, and salutary change, as promised in the second.

It bears repeating that the lineup of implicit and explicit assumptions in this project (i.e., the x's above) was not foreordained. An implicit policy objective aimed at fostering cooperation and partnership with the DPRK could just as readily have been pursued in the explicit case of "uncertainty" as it could in the context of a "big change." Similarly, the submission or stability objectives might apply in other contexts as well. In this project, however, the various assumptions intersected as indicated.

3. Approach

In addition to assumptions about the DPRK, or about U.S. and ROK policy objectives, any negotiating strategy requires elements that can be combined in certain ways to produce desired outcomes. For this joint project, the elements necessary to construct various arms control negotiating strategies resided in the paper produced by KIDA during Phase I. In that paper, the essential elements of which appear in Figure 5, KIDA identified and analyzed 10 issues believed to be critical to the pursuit of arms control initiatives with North Korea.

Those 10 issues are numbered and presented in Figure 5 in the order originally established by KIDA. In addition, KIDA's issues are grouped above into five categories. These categories simply represent a logical clustering of the issues into affinity groups, but the five groups produced by this process can now be understood to comprise the basic elements of any arms control negotiating strategy.

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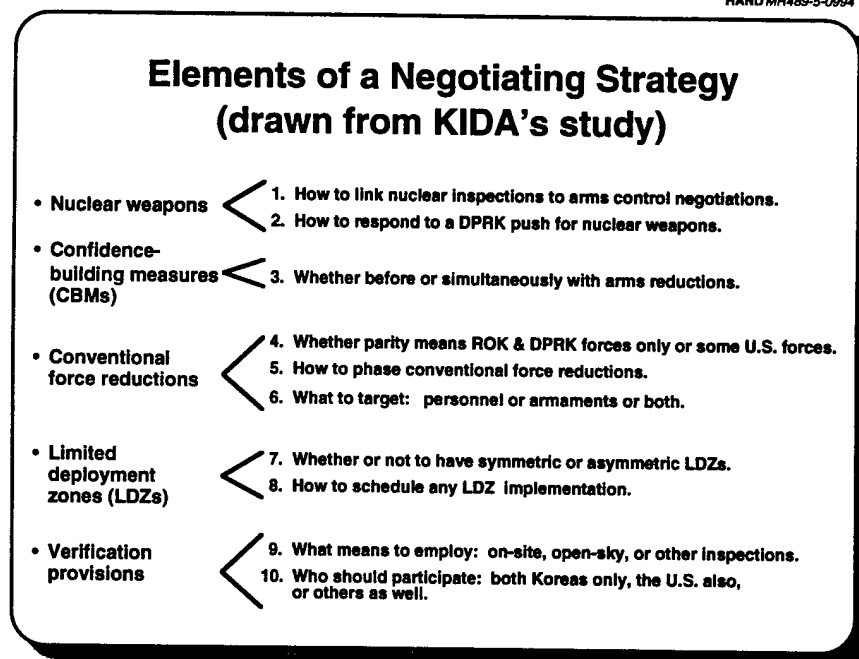


Figure 5

To build such strategies, these five elements will be mixed and combined in various ways throughout the remainder of this section. Where necessary for clarity, specificity, or completeness, reference will still be made in what follows below to the original issues as defined and analyzed by KIDA. Nevertheless, the emphasis will remain on the five elements themselves, as keys to, and essential building blocks for, different negotiating strategies—not on the 10 issues, or atoms, of which these key elements are composed (see Figure 6).

For the remainder of this overview, therefore, the approach will be, first, to focus on each of the three explicit assumptions about the DPRK in turn and, second, to assess the potential effects of the reigning assumption in each case on the five key elements indicated in Figure 6. This assessment will draw upon the full gamut of joint project activities and, where either necessary or appropriate, will make reference to the KIDA paper, the CAA games and simulations, and related RAND research.

The end result of this approach will be to produce three distinct negotiating strategies. Each of these strategies is grounded in a particular hypothesis about the future of North Korea's ruling regime. Each also blends differently the elements that seem key to any arms control strategy in the Korean case.

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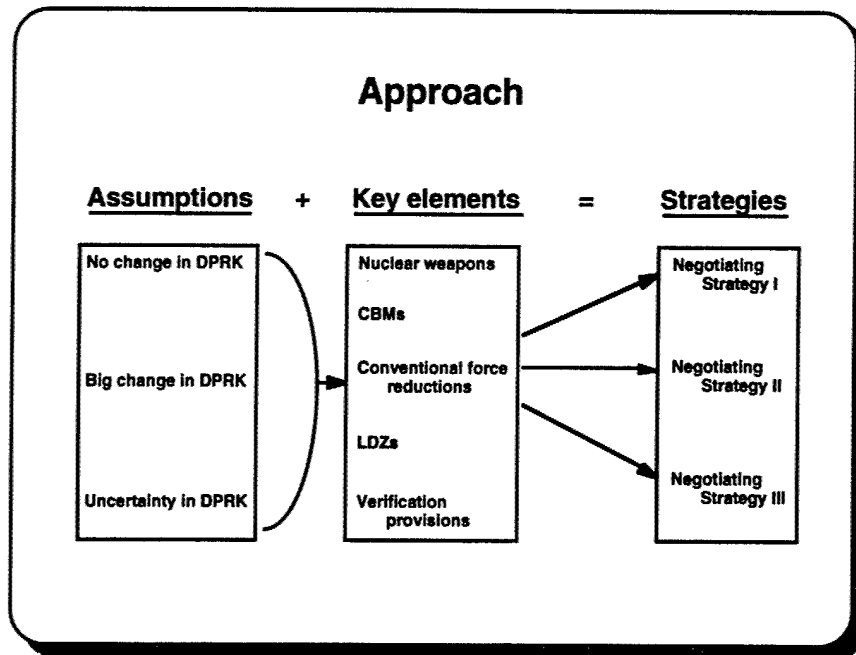


Figure 6

4. Negotiating Strategy I

As Figure 7 indicates, the effort to develop the first of three arms control negotiating strategies for the U.S. and ROK begins here. The point of departure for this effort is the assumption that no change in the current leadership of the DPRK takes place. The effort continues, then, with an analysis of what this assumption means in terms of the five key arms control elements:

- nuclear weapons
- confidence-building measures (CBMs)
- conventional force reduction
- limited deployment zones (LDZs)
- verification provisions.

Ultimately, this first effort concludes with a negotiating strategy that incorporates a recommended position on each of these elements, as well as on

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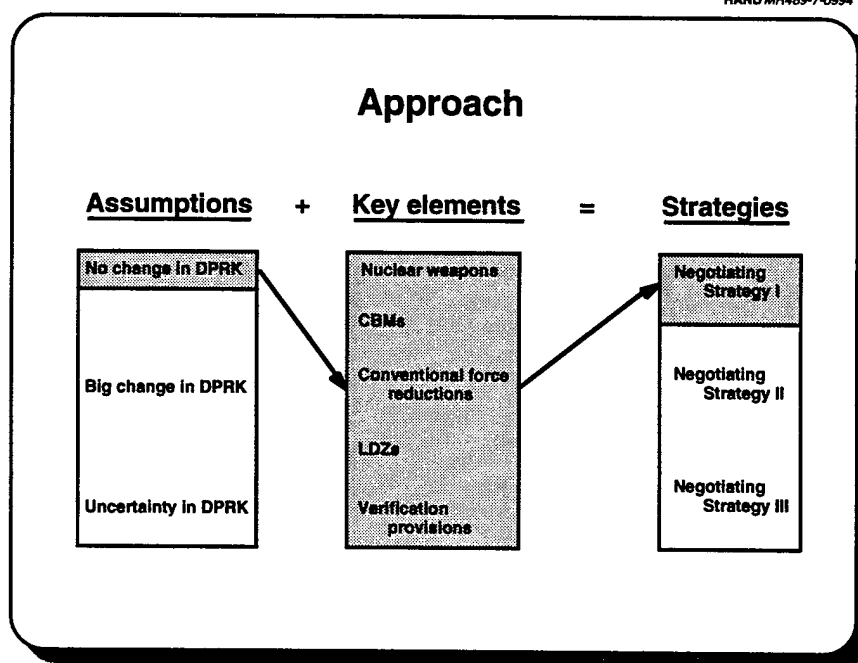


Figure 7

how to combine them together into a coherent, "strategic" whole. In arriving at this strategy, we have sought to make maximum use of what the joint project's results themselves seem to suggest. The process will then be repeated for each of the other assumptions concerning the DPRK; hence, at least two additional, and different, negotiating strategies will appear later on in this section.

As indicated in Figure 8, the first case to be addressed here is based on the assumption that no real change occurs in the current DPRK regime. Even though the leadership of North Korea may alter, and Kim Il Sung might finally be gone, the assumption in this case is that the problem of nuclear weapons proliferation by the DPRK still remains. This problem will make dealing with the North on other arms control issues extremely difficult, if not impossible.

Political-military games conducted during the project revealed precious little hope for arms control short of satisfactory resolution of the nuclear issue. Key to that issue is North Korea's acceptance of international inspections of its suspected nuclear sites, preferably by both the IAEA and the ROK, which have signed agreements with the DPRK permitting such inspections. Without these inspections, as the results of project games in both Washington, D.C., and Seoul have suggested, other arms control initiatives appear unlikely to develop.

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Assumption: No Change in DPRK
Key Element: Nuclear Weapons

- "No change" means North's nuclear efforts and South's worst-case fears persist
 - no genuine deals possible.
- RAND game in Seoul, as well as CAA game in Washington, D.C., showed that
 - without nuclear inspections, conventional arms control is blocked
 - if North pushes nuclear weapons (& ballistic missile) program, sanctions are needed.
- Even with North-South (versus IAEA) inspections, issue may not be resolved.

Figure 8

The project's games were conducted, in part, to gain insight into the DPRK's security dilemmas. In this case, those dilemmas appear to be propelling the country toward a nuclear solution to its problems. If the North persists in pursuing its nuclear weapons and related ballistic missile programs, however, it is likely to encounter a concerted push, led by the U.S., to impose international sanctions against the DPRK. A bad situation will then turn far worse, and even promising half-measures, such as DPRK willingness to permit North-South bilateral inspections, for example, but not IAEA inspections as well, will prove to be too little, too late. Needless to say, other arms control possibilities will be held hostage to the outcome of the nuclear issue.

If nuclear issues so dominate the case of "no change" in the DPRK, it is fair to ask why anyone should bother much further with developing a negotiating strategy for other issues, such as those involving conventional arms control. At least three answers to this question seem appropriate. Each one argues in favor of continuing to develop a broad arms control strategy, even in the face of "no change" (see Figure 9).

First, arms control positions on conventional as well as nuclear issues help maintain support among domestic publics and within the international community for continuing efforts by the ROK and the U.S. to bring pressure to

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With "No Change" in DPRK, Why Bother with Conventional Arms Control?

- **Maintain domestic public and international support for South's position**
 - seen to be going "the extra mile"
- **Lessen temptation/risk of DPRK accepting previous conventional arms control proposals**
 - without abandoning nuclear weapons.
- **Suggest possibility of genuine deals provided nuclear issues are resolved.**

Figure 9

bear on the DPRK over the nuclear issue. If South Korea and the U.S. demonstrate their willingness to address the North's security concerns through an arms control agenda that is focused on more than nuclear weapons, they can both be seen to be going an "extra mile" in their attempts to deal with the North. Whatever effect this might have on the DPRK, it could prove beneficial for the ROK and the U.S. both at home and abroad.

Second, these allies need to guard against the possibility that the DPRK, having acquired nuclear weapons, might turn around and accept current conventional arms control proposals, which were originally made when the North was considered to be a nonnuclear state. Third, the allies should help forestall and prevent the DPRK's "going nuclear" by all available means. Both of these considerations argue for an arms control strategy that suggests the possibility of genuine, security-enhancing, conventional force trade-offs—provided the DPRK abandons its nuclear ambitions—but that also promises a bitter pill conventionally if the North persists on the nuclear front.

The political-military negotiating games conducted by CAA in Washington, D.C., during July 1992, as well as the gaming of confidence-building and verification measures for Korea in February 1993, which involved an adaptation of the Contingency Force Analysis Wargame (CFAW) at CAA, served to underline the importance of implementing CBMs between North and South Korea first, before proceeding to reduce either side's armed forces. Given no change in the current DPRK position on nuclear issues, there should likewise be no change in the priority of a "CBMs-first" approach (see Figure 10).

Even if CBMs and arms reductions were to be negotiated and agreed upon simultaneously, the potential nuclear and other dangers inherent in the "no change" case argue strongly in favor of putting the CBMs in place initially, and gauging their effects, before launching into more serious arms control endeavors. In general, CBMs can serve to "test the waters" of the North's intentions and accustom both sides to the requirements of an arms control agreement—before those requirements become more demanding and potentially more risky, as they undoubtedly would be if force reductions were involved.

If CBMs were implemented as formulated and practiced elsewhere in the world (e.g., in Europe), they could also help open up the DPRK's extremely closed society. CBMs invariably contain provisions for furnishing data on one's own forces, for notifying opponents in advance of certain planned military activities, and for inviting observers from the opposing side to some of those activities. Even if the North adhered only to the letter of such provisions, it would be moving in the general direction of greater political-military openness.

Assumption: No Change in DPRK
Key Element: CBMs

- CAA games argue for implementing CBMs prior to arms reductions.
- CBMs “test the waters” prior to jumping into more ambitious arms control efforts.
- CBMs furnish means of opening up North’s closed society.

Figure 10

Both CAA’s political-military gaming in July 1992 and RAND’s game in April 1993 demonstrated significant support among both ROK and U.S. players for defining issues of military parity on the Korean peninsula in terms of North and South Korean forces only. In other words, U.S. forces would not be factored into any parity equations on the South Korean side (see Figure 11). Although there was considerable debate during the CAA games over the possibility of including U.S. forces in Korean arms control negotiations—as a way of underlining a continuing American presence and commitment to security on the peninsula—arguments in favor of excluding U.S. forces carried the day. One of the most persuasive of these was that both the American military presence and the prospect of diplomatic dialogue with the U.S. supply critical leverage with the DPRK; hence, they should not be included at the outset of any negotiations, and even later on, maximum care should be taken to avoid giving either of them away prematurely.

As for more specific dimensions of ROK-DPRK parity, the precedent set by the Treaty on Conventional Armed Forces in Europe (CFE) was presumed to apply to the Korean peninsula as well. Players argued that both the CFE in Europe and the balance in Korea favored asymmetric reductions by the DPRK to parity with the ROK at its current force levels (or 90 percent of those levels as suggested in KIDA’s study). Given the “no change” assumption in this case, it also seemed

Assumption: No Change in DPRK
Key Element: Conventional Force Reductions

- CAA and RAND games support defining parity as ROK-DPRK, not U.S./ROK-DPRK
 - U.S. military presence and diplomatic dialogue supply critical leverage with DPRK—*avoid giving away.*
- European arms control (CFE) set precedent of asymmetric cuts to parity (or 90% of ROK levels)
- Given the assumption, targeted force reductions should probably include maximums (in KIDA's study)
 - military personnel in standing and reserve forces
 - armaments in most threatening categories first.

Figure 11

reasonable for the South to negotiate on the basis of such maximalist positions outlined in KIDA's study as taking force reductions in both standing and reserve forces and initiating the process by reducing the most threatening armament categories (e.g., weapons of mass destruction, strategic weapons, and conventional offensive weapons) first.

KIDA's study raised the prospect of LDZs and proposed, in effect, that they be considered a key element of any arms control agreements between North and South Korea (see Figure 12). KIDA had two types of LDZ in mind. One involved four zones on each side of the border between the two countries; these would be drawn symmetrically, starting from the demilitarized zone (DMZ) surrounding the inter-Korean border and extending outward, in equal numbers of kilometers, into each country. The other type of LDZ would be constructed asymmetrically, taking into account the South's relative lack of territorial depth; in the asymmetric case, there would be three zones on each side beyond the DMZ, with demarcation lines for the North's zones being set 50 kilometers further back than the corresponding lines for the South.

For both symmetric and asymmetric LDZs in KIDA's study, no forces would be allowed in the next-to-last zone from the border. As can be seen on the maps in Figure 12, this provision would have the effect, in both cases, of permitting the

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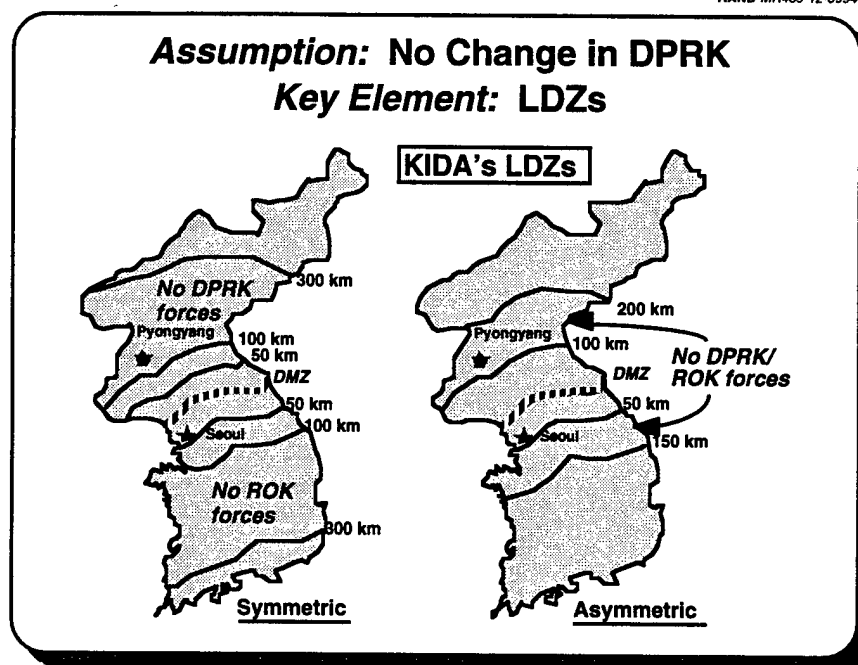


Figure 12

South to maintain forces in the zone surrounding Seoul but of prohibiting the North from stationing forces in the zone encompassing its capital, Pyongyang. KIDA also raised the question of whether to implement either form of LDZ as a CBM prior to any force cuts or as an added element to be put in place simultaneously with arms reductions. If there is no change in current DPRK positions, both gaming and analysis in this joint project suggested that LDZs of either type should be pursued as a CBM prior to reductions. Moreover, CAA ran its main warfighting model (CEM) to gauge the potential effects of LDZs, in the absence of force reductions, should a Korean war occur. These effects proved to be salutary for defense of the South.

The political-military games that CAA conducted in July 1992 and February 1993 served to demonstrate the utility, in any arms control arrangements between North and South, of both on-site inspections and open-skies overflights throughout the Korean peninsula. In particular, the February 1993 exercise, which simulated the effects of a robust verification regime for the peninsula (through CAA's successful adaptation of its CFAW model to this purpose), enabled players and analysts to gain a better, more realistic sense of how such a regime might operate. Results of that exercise also tended to underline the utility of yet another verification option raised in KIDA's study, namely, the possibility

of adding permanent resident inspectors at fixed sites on both sides (see Figure 13).

KIDA's study also raised the question of who should conduct inspections, overflights, and other verification missions: the two Koreas themselves, a third party such as the U.S. or the United Nations, (U.N.), or some combination of the various bilateral and third-party options. Although far from definitive on this issue, the results of the project's gaming and analysis tended to suggest that both North and South Korea should form the mainstay of any verification/inspection regime formed for arms control purposes even if third parties are called upon to play a role as well. Such a bilateral dimension to the verification problem would itself serve as a kind of CBM between the two contending parties.

The outcome of the current nuclear inspection issue could set a precedent for other inspection issues. Correspondingly, if an inspection regime existed for conventional forces, it might be able to help with other (e.g., nuclear, chemical, and biological) issues as well.

Having explored five key elements of arms control in light of the assumption that the DPRK will not change its current policies, particularly with regard to nuclear weapons issues, we put the results together and arrived at a recommended

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Assumption: No Change in DPRK
Key Element: Verification Provisions

- CAA games demonstrate utility of both on-site and open-sky inspections
- Both Koreas should probably form the mainstay of any inspection agency—as a kind of CBM
 - outcome of nuclear inspection issue (whether bilateral, IAEA, or both) sets precedent
 - conventional inspections could supplement nuclear inspections.

Figure 13

strategy for arms control in the “no change” case (see Figure 14). Perhaps the best way to encapsulate or label this strategy is to use the word “pressure” to describe it. Clearly, maintaining international pressure on the DPRK—to accept both the routine and the challenge inspections required under the NPT/IAEA regime and to proceed with the bilateral North-South inspections endorsed in 1991—is the first order of business. Without resolution of these and other nuclear proliferation issues with the North, arms control initiatives on other fronts will not have a chance to succeed.

Nevertheless, pressure on the nuclear front does not mean, nor should it imply, the absence of pressure on other arms control issues. For reasons indicated earlier (e.g., the possibility that the North, if it acquires a nuclear weapons capability, might turn around and accept some “prenuclear” conventional arms control proposal that would no longer be appropriate), the U.S. and the ROK should develop a broad nonnuclear arms control strategy. Such a strategy would seek to reinforce the international efforts already being pursued to halt the DPRK’s apparent push for nuclear weapons. It would also have to take into account the possibility that, in the not-too-distant future, U.N. or U.S.-led nuclear counterproliferation efforts will escalate and begin to include economic and, potentially, even military sanctions (see Figure 15).

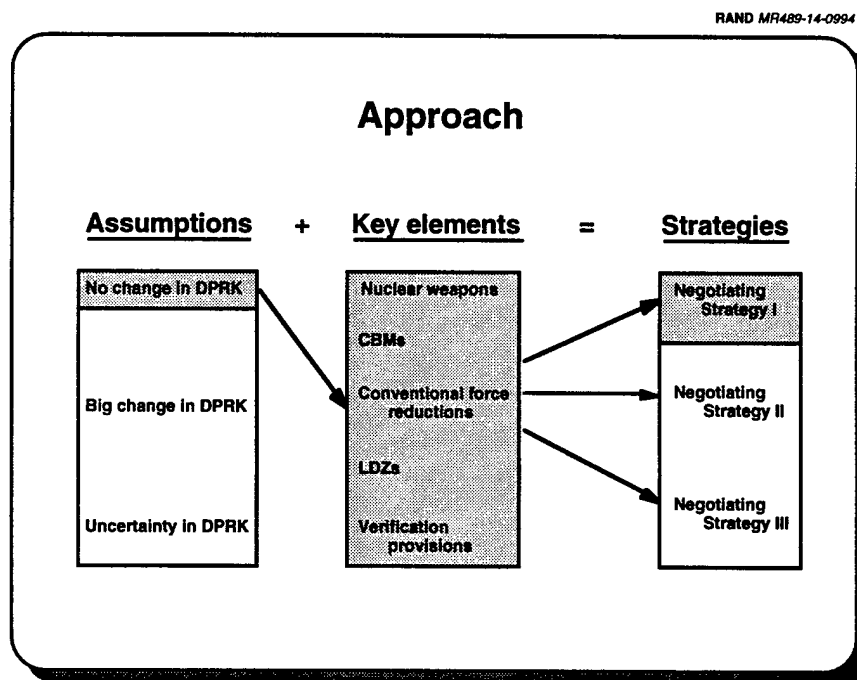


Figure 14

**Negotiating Strategy I—"Pressure"
(Assumption: No Change in DPRK)**

- **Press for nuclear inspections**
 - prepare for sanctions.
- **Pursue declaratory arms control policy, contingent on nuclear settlement**
 - **CBMs before arms reductions**
 - **LDZs as a CBM**
 - **full-scope verification—even for CBMs**
 - **stiff DPRK force cuts.**
- **Offer to negotiate after nuclear resolution**
 - **dangle economic/diplomatic carrots.**

Figure 15

Beyond the critical nuclear issues, however, what else should this broader arms control strategy include? What role should the other key elements of arms control play in such a strategy, which seeks to maximize pressure on the North but aims ultimately to resolve outstanding nuclear issues and improve security on the peninsula?

In the first place, results of our joint project suggested that U.S. and ROK declaratory policies on nonnuclear arms control issues should make it abundantly clear that no progress on those issues can be made without satisfactory progress on the nuclear issues. Nonnuclear arms control, in other words, is contingent on nuclear arms control; without the latter, the former is a nonstarter. As for allied conventional arms control positions or proposals in the meantime, while resolution of outstanding nuclear issues is being pursued, they should specify requirements for CBMs to be implemented successfully before any force reductions can be undertaken; for some form of LDZs, in addition to the DMZ, to be included as a CBM; and for full-scope verification measures—involving on-site inspections, open-skies overflights, and possibly even resident inspectors at designated locations—to go into effect immediately upon implementation of the CBMs.

Should the North object, as seems likely, that proposals for force reductions are missing from the list, the South could counter with the argument that these might be negotiated while CBMs were being implemented but that, even then, they would have to involve highly asymmetric DPRK cuts. Then the South might offer to negotiate both the timetable and the terms for force reductions sooner, but only on condition that the nuclear issues have been settled. Such an offer might serve as an arms control complement to other economic and diplomatic incentives ("carrots") being dangled in hopes of nuclear concessions from the DPRK; meanwhile, the other conventional arms control positions help guard against premature concessions in the interim.

5. Negotiating Strategy II

The second negotiating strategy developed in the course of this joint project flows from the assumption that significant changes occur in the policies and, most likely, in the regime governing the DPRK (see Figure 16). The changes could stem from a new, post-Kim regime taking charge in the North. Such a regime might still be composed of dedicated communists, perhaps seeking to emulate the neighboring Chinese model of economic, even military, growth without sacrificing political control by the ruling party. Alternatively, the old regime itself, in view of its obvious economic failures, may have finally decided to address such chronic and mounting problems through a burst of domestic and foreign policy reforms.

Whether the changes in policy spring from a new regime, which is interested in ending the North's historic isolation within the international community, or from elements of the old regime pursuing a similar objective, is not critical. What is important is that the "big change" occurring in the DPRK now includes a

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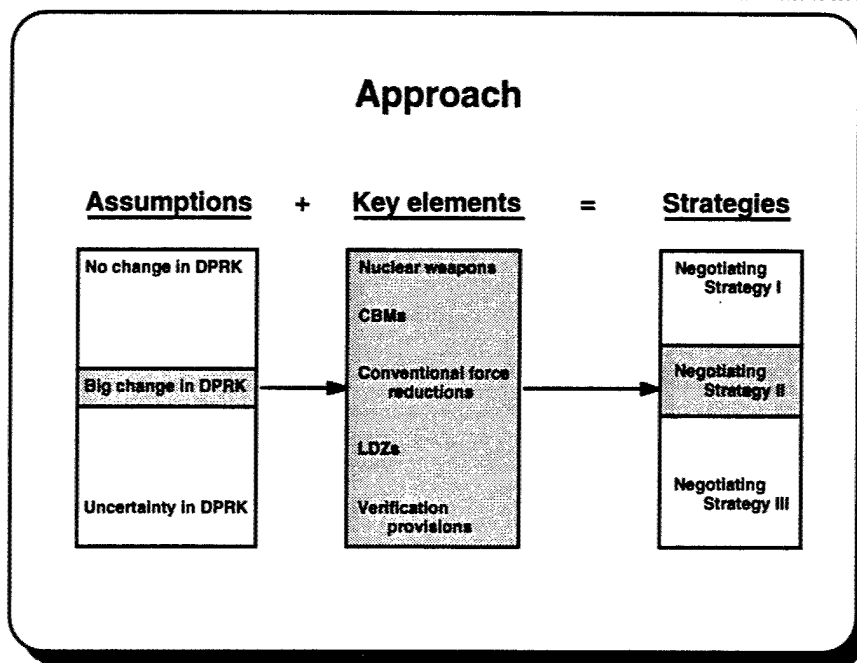


Figure 16

commitment to accept not only IAEA routine and challenge inspections but also, on a reciprocal basis, ROK inspections of suspected nuclear sites in the North. In other words, the new or reformed DPRK regime appears to be reorienting itself positively toward the rest of the world and, at a minimum, to be seeking less turbulent military security relationships within it. Moreover, the regime seems clearly prepared to stop hiding and, presumably also, to forgo any attempts it had been making to develop nuclear weapons (see Figure 17).

Once the “big change” assumed in this context comes into play, possibilities for dealing constructively with North Korea multiply rapidly. The political-military games conducted both by CAA and by RAND clearly showed this to be the case. In those games, the North-South dialogue improved immediately after the “big change” assumption was introduced (by altering the game scenario, which both CAA and RAND had based at the outset of their games on one of the other assumptions about the DPRK). The frequency of both parties’ interactions increased, and the tone of their exchanges improved—less rhetoric, more substance filled the interchanges.

Conventional arms control issues move quickly to center stage, along with economic issues, once nuclear issues begin to recede. The three sets of issues may still be linked, however, even though the nuclear issues may have been

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Assumption: Big Change in DPRK
Key Element: Nuclear Weapons

- New regime interested in making deals.
- By definition, “big change” includes commitment to accept inspections and forgo nuclear options.
- Possibilities for dealing constructively in other areas multiply rapidly.
- Conventional arms control issues, as well as economic incentives, move to center stage
 - Both may be linked, depending on how nuclear issues have been resolved.

Figure 17

settled successfully. If the price of success already includes ROK, U.S., and Japanese commitments to make a significant number of economic concessions for a nuclear-weapons-free DPRK, there may not be enough economic incentives left to help settle conventional arms control issues as well—for example, a potential need to compensate somehow for asymmetric DPRK force reductions to parity with the ROK. In other words, if the new or reformed leadership of the DPRK being postulated here has been influenced to abandon its former nuclear aspirations by the promise, expressed or implied, of economic concessions, the same concessions may not be usable again in a different arms control context, and other such concessions simply may not be available.

In the CAA and RAND games, the intelligence analysts and others who were playing the role of DPRK officials seemed to think that a post-Kim regime in North Korea might conceivably agree to arms control arrangements with the South that featured CBMs—even an agreement to implement CBMs initially, prior to taking any force reductions (see Figure 18). Since no genuine North Koreans were participating in these games, and since even the highly informed people playing in their stead were operating under an assumption about “big change” in the DPRK that was far from precise in its details, we should not make too much of the North’s potential willingness to negotiate and agree on CBMs.

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Assumption: Big Change in DPRK
Key Element: CBMs

- **Gaming suggests that CBMs would be easier to negotiate and agree on**
 - **DPRK players indicated that a post-Kim regime might agree to CBMs first.**
- **South may still wish to implement CBMs before cutting forces**
 - **to open up DPRK regime and society more**
 - **to improve arms control attitudes/experiences before taking more ambitious steps.**

Figure 18

The negotiating atmosphere for arms control might improve with a "big change" in the DPRK, but the substance of the North's negotiating positions might not.

Nevertheless, the ROK and the U.S. might want to hold, even in this case, to the position that CBMs should be negotiated and implemented prior to undertaking (although not necessarily prior to negotiating) force reductions. In contrast to the first case, where the assumption was "no change" in the DPRK and the motive behind a CBMs-first position was essentially defensive, to forestall force reductions, the motive for putting CBMs first in this case is more positive. First, CBMs can be negotiated and implemented faster, and with much less turmoil for the military establishments involved, than force reductions. Second, they help on the margins to open up societies long accustomed to secrecy, especially about military matters, and thus they can serve as a useful adjunct to, as well as further test of, a "big change." Finally, they can accustom both sides to the initial experience of arms control with each other, at low risk and with potential for high gain, before they launch into more ambitious experiences.

Our joint project's games and analyses indicated that, with a "big change" in the North of the kind hypothesized, the ROK and possibly even the U.S. can afford serious negotiations with the DPRK that could lead to force reductions on both sides. North-South parity at current levels of ROK forces or somewhat below those levels (e.g., 90 percent, as in KIDA's study) would still be the preferable outcome, but other outcomes are potentially acceptable, thanks to the overriding assumption in this case about the nature and intentions of the DPRK regime. First phase reductions, for example, might not result immediately in parity but might, nonetheless, prove acceptable as an initial step toward that goal. CAA analyses suggested that some alternatives proposed by players representing the DPRK in its games might be worth pursuing. These and other analyses also indicated that armament cuts could safely precede personnel reductions, as in the case of the CFE agreement in Europe (see Figure 19).

In general, both the ROK and the U.S. can afford to be more flexible regarding the size, categories, and timing of force reductions in this case than they can under any of the other assumptions addressed in the joint study. Our research and analyses suggested that North-South parity might ultimately come to be measured by somehow taking into account the continuing presence of U.S. forces, although a new DPRK regime might not insist on formal linkage and the U.S. itself might not be a signatory to a North-South arms control agreement. Beyond that, our efforts also suggested that this was the one and only case among the three studied in which prudent risks for peace involving

Assumption: Big Change in DPRK
Key Element: Conventional Force Reductions

- **Serious negotiations and agreements now possible**
 - first phase reductions might not reach parity
 - armament cuts could precede personnel cuts, as in Europe.
- **In general, more flexibility regarding size, categories, and timing of reductions appears warranted**
 - “prudent risks for peace” now possible.

Figure 19

various conventional force reduction options might have to be seriously considered.

With a big change in the leadership (or in the intentions of the leadership) of the DPRK, the utility of the LDZ concept may be called into question in at least two fundamental ways. In the first place, the LDZs as envisaged in KIDA's study would not allow, or would at least severely limit, the forces that the North could station or deploy around its capital, Pyongyang. It is hard to conceive of any North Korean leadership group, even one as reform-minded as the cohort assumed to be holding the reins of power in this case, that would agree to any zonal arrangement that would leave the capital essentially undefended. Results of the project's gaming and analyses, moreover, tend to support the same point; they suggest the likelihood that any LDZs established for arms control purposes would either have to be symmetric, with both capitals treated equally, or have to be avoided entirely (see Figure 20).

In the second place, the costs of treating LDZs as a CBM—to relocate forces on a massive scale first, and only later begin to reduce them—are likely to be prohibitive. That likelihood was not a problem in the case of “no change” in the DPRK. There the intent was actively to discourage the North from thinking, while it continued to pursue the nuclear option, that it might also opt for

Assumption: Big Change in DPRK
Key Element: LDZs

- **Need to provide equal security for each capital**
 - **some ground forces required for capital security**
 - **likelihood of symmetric (or no) LDZs.**
- **More likely to accompany arms reductions than precede them as a CBM**
 - **costs of stand-alone implementation prohibitive.**

Figure 20

conventional arms control agreements. In this case, however, where constructive arms control arrangements between North and South seem highly desirable, the potential economic costs of proposals for up-front implementation of LDZs, at a time when competing demands for economic development of the North would be high, could throw an expensive damper over arms control. LDZs might conceivably be negotiated and implemented in conjunction with force reductions, but the elaborate LDZs considered in this study as potential CBMs seem likely to prove nonstarters.

Even a big change in the DPRK will not relax requirements for trustworthy verification of any arms control agreements concluded with North Korea (see Figure 21). Reliable verification arrangements, in fact, will serve as one of the most effective CBMs imaginable in any North-South arms control regime. In the first instance, if CBMs are negotiated and implemented prior to force reductions, the requirement will be for verification measures appropriately tailored to monitoring compliance with the agreed CBMs. If force reductions follow or accompany the implementation of CBMs, they will likely impose a new set of verification requirements, which may require a different or separate set of monitoring provisions. These can be accommodated as the need for them arises; they do not have to be imposed in advance of such needs.

Assumption: Big Change in DPRK
Key Element: Verification Provisions

- “Trust but verify” still valid, even for post-Kim North.
- Verification arrangements should serve CBM purposes, but not exclusively
 - provisions appropriate to force reductions also required
 - phased approach to verification seems likely.
- Post-Kim North might favor on-site, open-sky joint ROK-DPRK inspections.

Figure 21

In other words, if arms control is phased in because of a “big change” in the DPRK, verification requirements can be phased in as well. In the “no change” case, given the nature and apparent intentions of the regime being dealt with, a full set of verification provisions is required up front as a condition for any other arms control agreements, even an agreement involving CBMs alone. If and when the “big change” occurs, however, a phased approach to verification seems more likely and appropriate, in part because of the now-famous arms control maxim, “trust but verify” (employed by former U.S. President Ronald Reagan for his agreements with a reforming Soviet Union under Mikhail Gorbachev). At least some trust might actually be possible following a “big change” in the DPRK; under the other assumptions about the North, full-scope verification almost has to precede trust to help generate it. Gaming results in this case did suggest that a post-Kim North might favor on-site and open-skies inspections by both sides.

A second negotiating strategy for arms control can now be put together, based on the assumption in this case that major political changes occur in the North (see Figure 22). One word that summarizes and labels this strategy is “influence.” The overarching objective of the strategy is to transform North Korea by trying to shape the further political-military development of a reform-minded DPRK. This means, logically, trying to “influence” the future direction of that development. Formulating a strategy for arms control in support of this objective is tantamount

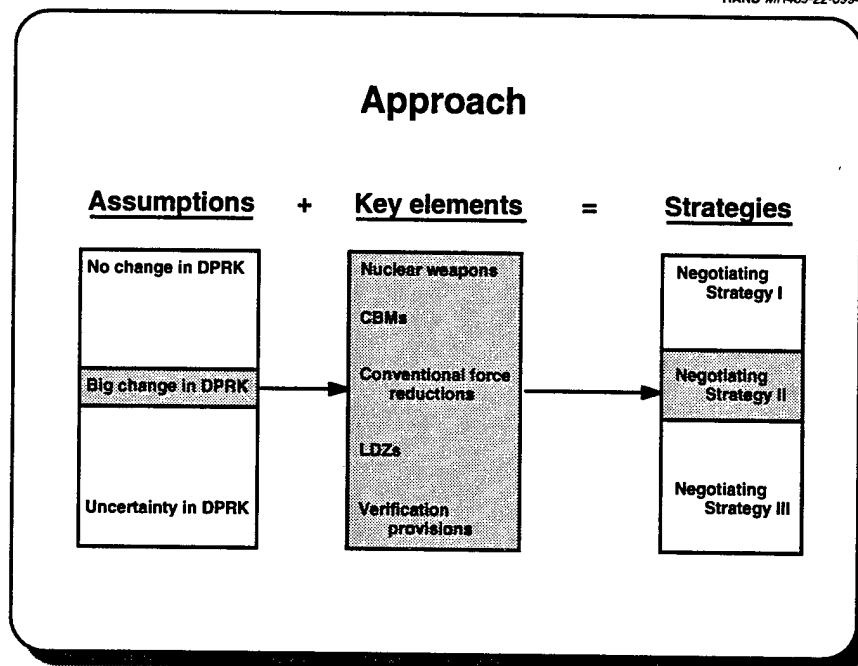


Figure 22

to trying to achieve and maintain influence over DPRK security policy; hence, our use of the term here to describe the strategy.

The first component of the strategy—i.e., the first step to be taken in putting its particular configurations of the key elements into play—is to welcome the North's abandonment of its former nuclear options and seek to lock in its renewed commitment to the status of a nonnuclear-weapons state (see Figure 23). One way to ensure such commitment and status is to insist on unambiguous verification procedures, which could include overlapping, even redundant inspection provisions, for acknowledged or suspected nuclear sites. IAEA and bilateral ROK-DPRK inspections would be involved, at a minimum, but perhaps other interested parties (like the U.S.) might participate as well, either as members of established inspection teams or separately. Another way to guard against a return of the North's nuclear aspirations and strategic threats is to extend the ban on nuclear weapons in the DPRK to ballistic missiles. A reform-minded North should be encouraged to participate fully in the Missile Technology Control Regime (MTCR). The levels of energy, effort, and enticement reached in wooing the DPRK back to the NPT regime, therefore, may be required again for inducing the North to play a constructive role in the MTCR.

**Negotiating Strategy II—"Influence"
(Assumption: Big Change in DPRK)**

- **Lock in North's abandonment of nuclear options**
 - ensure with sufficient verification
 - extend to missile development.
- **Push CBMs forward as desirable—not a precondition.**
- **Be serious, stay flexible about force reductions.**
- **Treat LDZs together with force cuts.**
- **Develop phased approach to verification that**
 - differentiates CBMs from force cuts *and*
 - requires joint North-South inspections.

Figure 23

The second component of this negotiating strategy would push CBM implementation forward as a desirable first step in arms control, but not as a necessary precondition. However, despite the best arguments of the ROK and others about why starting with CBMs first would be best, even a reform-minded DPRK may insist on the need to cut opposing forces as its ultimate requirement for building confidence. If that happens, the strategy would recommend proceeding with talks on CBMs and arms reductions simultaneously, leaving the question of which to enact first to be settled by the dynamics of the negotiations and the complexities of the issues involved. The most important point as far as the strategy is concerned is whether the ROK and the U.S. can show the DPRK that they are seriously interested in, and somewhat flexible about, arms control arrangements. If the North wants to negotiate force reductions as its first order of business, that should not pose problems for the South or the U.S. under this strategy. Its main objective is to help gain influence, after all, not score negotiating points.

When it comes to the business of negotiating arms control arrangements under this strategy, the South can afford to show some flexibility. Our analyses have suggested that LDZs would not have to be treated separately as CBMs; instead, it might be better if they were included in force reduction arrangements. If LDZs were deemed necessary early on in the arms control process, this itself might

argue for advancing the timing of force reduction talks. Other elements of flexibility in the strategy include phasing the approach to verification—to keep verification demands strictly in line (no more, no less) with the monitoring requirements of particular agreements—and expressing a willingness to consider alternative approaches to achieving parity in forces.

6. Negotiating Strategy III

The third negotiating strategy developed in the course of our joint project assumes that uncertainty about the DPRK regime and its policies reigns supreme (see Figure 24). The type of uncertainty that we have in mind harks back to the situation and positions of North Korea in 1991, around the time this project began. At that time, the North appeared to be embarking on a course of foreign policy that seemed promising for the ROK, the U.S., and the larger international community. By the end of 1991, the DPRK had signed the reconciliation and denuclearization agreements with the ROK, and it had agreed to accept IAEA inspections of its nuclear facilities. It began to look as if 40 years of North Korean hostility and intransigence might be starting to change—not radically, as assumed in the case of Negotiating Strategy II above, but perceptibly—enough so that the intended direction of DPRK policies in the political-military arena became somewhat more difficult to predict.

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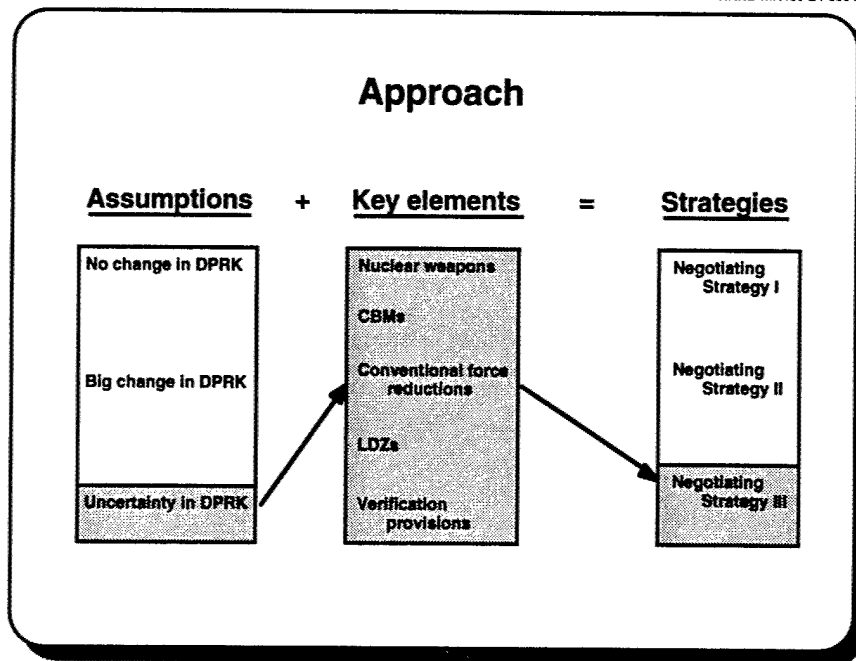


Figure 24

From the point of view of others, therefore, North Korea's security policymaking became rather uncertain, especially when compared with the historical track record: promisingly uncertain, to be sure, but uncertain nonetheless. The assumption about the DPRK in the case of this third strategy is that a similar uncertainty about the ultimate direction of the DPRK's policy has reappeared. Perhaps the North decides to permit IAEA inspections of its nuclear facilities, even to accept challenge inspections, or perhaps it finally decides to go ahead with the bilateral inspections called for in its denuclearization agreement with the ROK. Whatever the causes or intentions behind such a shift, the critical (nuclear) features of current DPRK security policy are assumed, for the purposes of constructing this strategy, to have changed (see Figure 25).

Given this change, uncertainty about the future direction of North Korean policy is presumed to have returned, even though the current DPRK regime may not have changed. The North might now be willing to deal constructively with the ROK, the U.S., and others on political-military issues, including nuclear issues. But it is simply unclear how far the DPRK might be willing to go, and it remains uncertain whether the concessions the North appears to be making on nuclear issues are genuine or not. On the one hand, they could be part of an elaborate subterfuge intended to buy time, which might help to protect a continuing but highly clandestine North Korean nuclear program (one that concessions on

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***Assumption: Uncertainty About DPRK
Key Element: Nuclear Weapons***

- North seems willing to deal (as before 1993), but nuclear stance still unclear
 - risks of instability remain.
- Parallel talks on conventional arms might help
 - link to nuclear inspections, but conduct separate negotiations
 - conventional arms control possibilities might affect DPRK nuclear position.
- Conventional inspections could supplement nuclear inspections.

Figure 25

inspections may not affect). On the other hand, the DPRK regime and its leadership might finally be ready to deal seriously with their international opponents (as the North appeared somewhat ready to do, although not for long, prior to 1993).

Such uncertainty poses serious challenges to the ROK and the U.S. They cannot assume the North is acting in good faith on the nuclear issue, yet continuing to apply the same degree of pressure as before fails to take advantage of any genuine changes that may be occurring in DPRK policy. Moreover, failure to respond positively to promising overtures from the North risks the possibility of provoking instability on the peninsula; the DPRK could conclude that change is futile and give up on any arms control alternatives to nuclear weapons, or to war. In this situation, parallel talks on conventional arms might help by maximizing the South's opportunities for constructive dialogue with the North. Such conventional-track arms control efforts might be linked to progress on the nuclear track, but both might be worked separately, in hopes that progress on the conventional front might induce progress on the nuclear issues, as well as vice versa.

Under conditions of uncertainty, CBMs should still come first on the agenda of conventional arms control initiatives pursued by the South (see Figure 26). In

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Assumption: Uncertainty About DPRK
Key Element: CBMs

- **CBMs first**
 - modest CBMs—e.g., invited observers
 - requiring inspections—e.g., data exchange.
- **Separate negotiating fora for CBMs and for force reductions.**

Figure 26

this case, however, the CBMs should probably be relatively modest measures. Such measures would seek to open up the North's military establishment, and to some extent its society, by promoting acceptance of what have become routine practices elsewhere in the world, but they would also refrain from threatening the DPRK unduly at the outset of any conventional arms control process. The invitation of observers to North Korean military exercises, notified in advance of their commencement, is one example of such a gradual CBM; it comes straight out of the Helsinki Final Act of 1975.

Even if modest, however, any initial CBMs should also be sufficient to meet the interests of the South and the U.S. in breaking down barriers to effective arms control, especially inspection possibilities, that the North has consistently erected. One way to do this, which was suggested by the joint project, would be to promote an annual exchange of data on the size and disposition of both sides' military forces. Such a data-exchange provision would form part of any initial CBM agreement and would require inspections to help verify that data being furnished were correct.

The CAA games conducted during our joint project also pointed toward a need for separate negotiating fora for CBMs and force reductions. The advantages of separating these two sets of conventional arms control issues are that it helps minimize questions of linkage, timing, and implementation (e.g., which takes effect first—CBMs or force cuts?) at the outset of negotiations, and it helps maximize the points of dialogue and contact with the DPRK on arms control. Furthermore, it preserves options to link and sequence agreements later, as talks on both nuclear and conventional arms control unfold.

If the future direction of DPRK policy is assumed to be uncertain, conventional force reductions might also be negotiated separately, as suggested above in the case of CBMs. Again, the main argument in favor of separation is that it helps maximize the possibilities for a broader security dialogue with North Korea (see Figure 27). Through such a differentiated, multifaceted approach, the South could propose a variety of arms control alternatives, including some in the realm of conventional force reductions, that might entice the DPRK to abandon its previous fixation on nuclear options, or hair-trigger readiness for war, as the basis for safeguarding its security.

To pique the North's interest in conventional arms control, some of our gaming experiences suggested that it might be useful to hold out the possibility of including U.S. forces in reductions. This is obviously a sensitive issue, since it could undercut the preferred position of the South, which wants conventional force reductions to result in parity that is measured directly between North and

**Assumption: Uncertainty About DPRK
Key Element: Conventional Force Reductions**

- Negotiate separately.
- Maintain option of U.S. participation
 - to pique DPRK interest.
- Keep North-South parity as main objective.
- Consider possibilities for asymmetric trades
 - e.g., ROK personnel in exchange for DPRK armaments.

Figure 27

South. Without abandoning this as the main arms control objective, it should nevertheless be possible to find ways to achieve this objective that are flexible, creative, and interesting, particularly to the DPRK. Potential inclusion of U.S. forces in force reductions—or CBMs—is one way to suggest such flexibility. Another might be to consider possibilities for asymmetric trade-offs between the opposing sides. One trade that comes to mind, and that political-military gaming for the joint project had only just begun to explore, might involve cutting DPRK armaments in exchange for reciprocal reductions in ROK personnel.

Uncertainty about DPRK policy tends to dictate that any LDZs be negotiated and implemented in conjunction with force reductions, not CBMs (see Figure 28). If the two sets of issues have been separated into different negotiating fora, as recommended above, LDZ proposals should be included in the talks on force reductions. The cost alone of redeploying forces under the various LDZ proposals made in this project by KIDA would argue for undertaking force reductions and redeployments in tandem—to save money, since fewer forces mean fewer left to redeploy.

The results of our gaming and analysis in the project suggest that, among the types proposed by KIDA, the only form of LDZ with a chance of success in any negotiations is one based on symmetrical zones flanking both sides of the North-

**Assumption: Uncertainty About DPRK
Key Element: LDZs**

- **Negotiate and implement any LDZs in connection with force reductions, not CBMs**
 - **cost alone prohibits KIDA's LDZs as CBMs.**
- **Gaming and analysis suggest that symmetrical LDZs (in some form) are the only ones really possible**
 - **DPRK will not leave its capital undefended, as it would be with KIDA's LDZs.**
- **Need more equitable LDZ proposals.**

Figure 28

South dividing line. Asymmetric LDZs favoring the South are likely to be difficult for the North to accept without corresponding asymmetric concessions on some other issue in the negotiations. If the South is also arguing for asymmetric DPRK force reductions to parity, as well as asymmetric trades in other areas, it becomes difficult to see how all the various asymmetries can balance out evenly enough for both sides to be interested in all of them. Asymmetric LDZs, in other words, may prove to be one asymmetry too many.

In both the asymmetric and symmetric LDZs proposed by KIDA, the North's capital, Pyongyang, is left undefended. Our analysis indicates that the North will never accede to such an arrangement. Clearly, for conditions of renewed uncertainty about the DPRK, more equitable and, most likely, symmetric LDZ proposals would have to be developed.

Not surprisingly, our political-military gaming showed that under conditions of uncertainty, DPRK players preferred open skies and in-place, resident inspectors to on-site challenge inspections (see Figure 29). For our players, who were trying to anticipate what North Koreans might choose in the same circumstances and why they might do so, on-site inspections were relatively less susceptible to control by the country being inspected than the other two modalities. In all

***Assumption: Uncertainty About DPRK
Key Element: Verification Provisions***

- **DPRK might prefer open-skies, resident inspections to on-site challenges.**
- **Experience with North on nuclear issue shows need for challenge inspections of undeclared sites.**
- **European experience demonstrates feasibility/efficacy of overlapping verification regimes.**
- **Separate negotiations make alternative verification means possible.**

Figure 29

cases, the players assumed that bilateral inspection mechanisms were easier for the DPRK to control than multilateral or third-party inspections.

The record of experience with the North on the nuclear issue shows a clear need for challenge inspections of undeclared, suspected sites. The nuclear experience also indicates that third-party involvement (IAEA, in this case) can be important, even essential. On-site inspections by third parties, however, may not be necessary in every case, nor might the same requirements be needed for every inspection. Some agreements—on CBMs, for example—may not require the same degree of intrusiveness as others. Force reductions in certain categories of weaponry might call for on-site inspections regularly; personnel cuts might require a different arrangement, either in terms of intrusiveness or in terms of frequency.

The European arms control experience to date demonstrates that various separate, overlapping regimes involving different verification provisions in each case can not only work but work effectively. If separate negotiations or agreements (e.g., on nuclear weapons, on CBMs, on arms reductions, etc.) are pursued in Korea, this could make a wide range of verification means possible. These could then be tailored specifically to the requirements of the different agreements.

If uncertainty about the future course of DPRK policy is assumed, and the question is how to move that policy in directions favorable to both ROK and U.S. interests, then the third negotiating strategy developed in our joint project endeavors to answer that question (see Figure 30). For want of a better term, this strategy carries the one-word label "leverage" here. The term seeks to convey the original sense of the root word, lever, which means to pry or dislodge something as a way of achieving one's purpose. In this case, since the purpose is to move an uncertain DPRK policy in more favorable directions, it is up to ROK and U.S. policies to supply means for prying or dislodging the North Korean leadership from its uncertainty about making constructive arms control arrangements with the South.

Among the policies to be employed in pursuit of this third strategy are the carrot-and-stick approaches to outstanding nuclear issues that both the ROK and U.S. have maintained heretofore (see Figure 31). The goal of these approaches and of the strategy in general, given the reigning uncertainty about the DPRK that is being assumed for this case, should be to walk a fine line—a tight rope, actually—between pressuring the North to rid itself of any nuclear weapons capabilities entirely, on the one hand, and minimizing the possibility that too much pressure will provoke the DPRK into going to war, with or without nuclear

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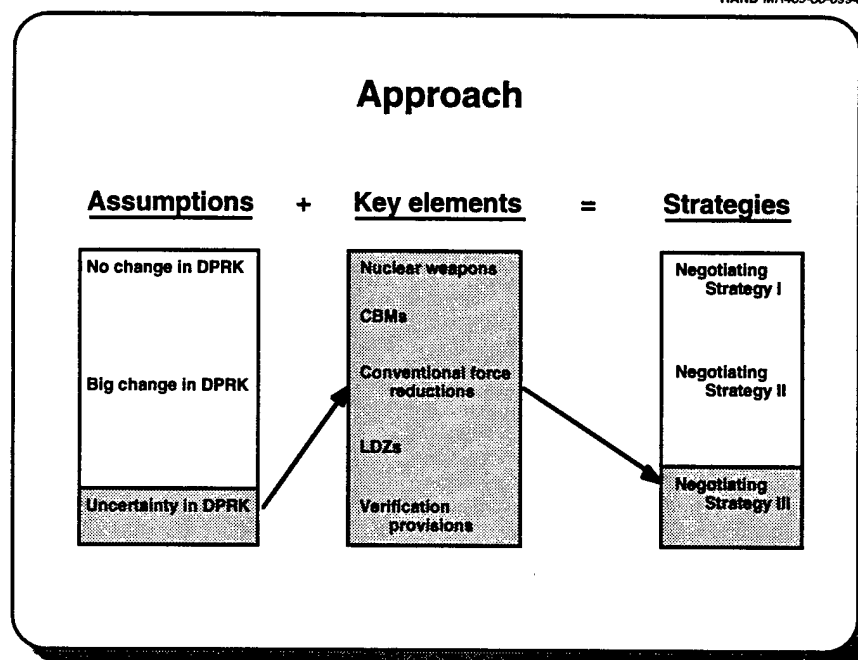


Figure 30

Negotiating Strategy III—"Leverage"
(Assumption: Uncertainty About DPRK)

- **Maintain carrot-and-stick approach on nuclear issues**
 — minimize instability.
- **Pursue CBM deal separately from force reduction talks**
 — CSCE C(S)BM preceded CFE force cuts,
 but both negotiated simultaneously.
- **Suggest U.S. participation and asymmetrical trades**
 — to interest DPRK in North-South parity.
- **Treat LDZs flexibly, as a subset of force reductions.**
- **Tailor separate means to various objects of verification.**
- **Offer multilateral involvement—e.g., 2 + 4 (2 Koreas plus
 4 other powers: U.S., China, Japan, and Russia).**

Figure 31

weapons, on the other. A strategy of leverage, therefore, consists in this case of walking the tightrope successfully and of dislodging, as a result, any North Korean obstructionist policies that may have been blocking the path.

Beyond maintaining a carrot-and-stick approach to nuclear issues, this strategy for maximizing leverage under conditions of uncertainty also calls for pursuing an agreement on CBMs separately from negotiations on force reductions. The European experience in this regard is instructive and promising. CBM implementation preceded agreement on conventional force reductions in Europe, even though both were negotiated simultaneously and separately, in different fora and in various stages, from approximately 1973 through 1990.

Following the European model of force reductions as well, the strategy recommends consideration of the possibility that U.S. forces might be included in the terms of a North-South agreement on this key element. The European experience suggests that the U.S. can readily accept limits on its military presence among allies if such limits support broader allied objectives. East-West parity in five major armament categories (tanks, armored fighting vehicles, artillery, helicopters, and aircraft) was such an objective in Europe; presumably, North-South parity would constitute a similar objective in Korea, although the categories for measuring parity there might differ. Indeed, this strategy even recommends considering asymmetrical trades between and among categories as

a way of arriving at an acceptable but different definition of parity for military forces on the Korean peninsula.

Finally, this strategy would treat LDZs as a subset of force reductions and look for new LDZ concepts appropriate to this role. It would tailor separate, differentiated means to the various objects of verification being negotiated in separate arms control fora. Furthermore, as in Europe with its "2 + 4" (2 Germanies plus 4 other powers: U.S., France, Britain, and Russia) treaties on German unification, the strategy would seek greater regional involvement in and guarantees of any North-South arms control agreements.

7. Concluding Observations

Figure 32 summarizes the essentials of the three strategies developed and presented in this document. The first strategy, "pressure," differs from the other two primarily in its emphasis on forcing the North to change its current position on nuclear issues. The strategy itself would not be relied on to force such a change; other measures not necessarily associated with arms control—for example, the "sanctions" referred to above—would more likely be counted upon to do so. Nevertheless, pursuit of this arms control strategy, which seeks above all to protect U.S. and ROK interests, comes closest to accepting the risks of instability, including war, on the peninsula to bring the DPRK's apparent push for nuclear weapons to an end.

Of the other two strategies, the second, "influence," assumes the nuclear issue away and poses few, if any, risks to stability as a result, while the third strategy, "leverage," tries to solve the nuclear problem with a judicious combination of incentives and disincentives. These derive, in large measure, from conventional

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Summary			
<u>Strategies</u>			
<u>Elements</u>	<u>I—Pressure</u> (Assumption: no change)	<u>II—Influence</u> (Assumption: big change)	<u>III—Leverage</u> (Assumption: uncertainty)
• Nuclear weapons	Push inspections; prepare sanctions	Lock in "no-nukes" policy of DPRK	Maintain carrot-and-stick approach
• CBMs	Press for CBMs first	Push for early implementation	Pursue separate deal and various fora; implement CBMs first
• Conventional force cuts	Stiffen required DPRK force cuts	Be serious, stay flexible; early cuts possible	Suggest U.S. participation and trading asymmetries
• LDZs	Call for early-on, as a CBM	Treat with force cuts, not CBMs	Treat with force cuts, not CBMs
• Verification provisions	Demand full-scope regime, even for CBMs	Develop phased, differentiated approach	Tailor separate means to various fora and objectives

Figure 32

arms control possibilities. The third strategy, therefore, is the one that seeks to use arms control most creatively. It treats arms control as a tool of international policymaking that can positively affect the political-military decisions of governments and actively contribute to the achievement of worthwhile objectives—such as security, stability, and nonproliferation on the Korean peninsula. *The strategy only works, however, on the assumption that DPRK nuclear policy is uncertain enough to be changeable, or at least susceptible to movement in one direction or the other.*

Strategy I (“pressure”) would appear to be the current strategy of choice for the South and other interested parties. If the North seems bent on developing nuclear weapons no matter what, its opponents’ choices are limited. They can either accept such a development and learn to live with it, which seems unlikely, or they can respond. The only response that appears to make sense, given the assumption that the DPRK will not rest without acquiring nuclear weapons, is one based on pressure in all of its various forms. This would include pressure across the board in the field of arms control, and that is what the first negotiating strategy attempts to spell out in some detail.

Since, by definition, Strategy II (“influence”) does not have to deal with the nuclear problem, it can afford to raise arms control possibilities for which the ROK and the U.S. might consider taking some “prudent risks for peace”—to borrow a phrase from the complex negotiating history of the Middle East peace talks. This strategy is based, however, on the assumption that major changes occur in the outlook and probably even in the composition of the regime governing the DPRK. If those changes fail to occur, or if they do occur but not to the extent previously assumed (e.g., the current regime stays in power and nuclear weapons issues, although formally resolved, still linger), taking any “prudent risks” could be dangerous. Hence, the strategy should be modified to avoid such risks.

In general, Strategy III (“leverage”) occupies a middle ground, conceptually, between the extremes of Strategy I and Strategy II. Modifications of either of these strategies, therefore, will tend to move in the direction of Strategy III. But that is not tantamount to saying that Strategy III itself is the fallback or the alternative in either case. It is, after all, based on its own particular assumption about the DPRK, namely, that DPRK security policies appear to be uncertain, and that may not be the case in all conceivable circumstances requiring modification of Strategies I and II. Indeed, as Figure 33 helps to demonstrate, it is entirely possible to construct strategies that are different from the three presented here by simply recombining elements and assumptions into different strategic configurations.

Concluding Observations—I

- **Strategy I (“pressure”) currently the strategy of choice**
 - it may also push DPRK toward instability.
- **Without regime change, Strategy II (“influence”) and its “prudent risks for peace” look dangerous.**
- **Strategy III could help promote stability *and* maintain pressure on DPRK on nuclear issues.**

Figure 33

Figure 32 also shows that certain arms control elements appear to remain fairly constant across the range of possible strategies. CBMs, for example, tend to play a leading role in every case, although as argued in previous sections, they do so for different reasons in each case. Furthermore, verification provisions are critical to the success of any arms control agreements concluded between North and South—under whatever negotiating strategy being pursued. In fact, verification measures are so critical early on to the question of whether arms control arrangements with the North can be trusted at all, that no agreement should be signed that does not specifically and formally include such measures. In a sense, initial arms control agreements with the North are primarily providing excuses for verification measures under all three strategies discussed above. Finally, LDZs as conceived during our joint project pose problems in all but Strategy I. They need to be revamped for use in other negotiating contexts (see Figure 34).

Concluding Observations—II

- **CBMs play a leading role in every case.**
- **Verification provisions are critical early on**
 - **any agreements should provide excuses for them.**
- **LDZs pose problems in all but Strategy I (“pressure”).**

Figure 34

Appendix

A. RAND's Political-Military Game

Introduction

In March and April of 1993, RAND conducted two political-military games during Phase III of the joint Korean Arms Control project. One of these games took place at RAND's home office in Santa Monica, California, during the week of March 29, 1993. The players in this game came from members of the RAND staff, by and large, and the game itself served as a kind of dry run or tryout for the second game, which followed in April. That game took place in Seoul, Korea, at the Korea Institute for Defense Analyses (KIDA) during the week of April 5, 1993. It drew on South Korean government officials, as well as representatives of the U.S. government and military establishment in Korea, for the players required.

The timing of the two games was highly significant. Both took place shortly after North Korea announced in March 1993 its intention to withdraw from the nuclear Non-Proliferation Treaty (NPT) and the associated safeguards regime administered by the International Atomic Energy Agency (IAEA). This announcement created something of an international, as well as a regional, crisis, the atmosphere of which, we concluded, could not be ignored. In our view, game players simply could not be asked to focus their attention on conventional arms control issues, as originally planned, if that meant excluding the nuclear proliferation problem that North Korea had just raised to a new level of consciousness. Hence, we decided to address the nuclear problem head-on and early on in our games but planned, in doing so, to bring players back to conventional arms control issues before the game ended.

Having made this basic decision, we proceeded to implement it by drawing on a particular model of political-military gaming previously developed at RAND. In a series of games generically entitled "The Day After . . .," RAND researchers had pioneered a form of gaming that involves confronting players initially with an alarming scenario set in the future and having them address that scenario immediately and directly; then bringing the players back to a scenario set in the present, but armed now with the knowledge of what the future is likely to become unless the players themselves change present policies; and, finally, taking players back to the future to deal with the consequences of changes they may or may not have anticipated.

What was even more significant than this game's format for us, given the particular Korean issues unfolding at the time, was the substantive problem it had been developed to address, namely, nuclear proliferation throughout various regions of the globe. In fact, "Day After" games focused on the question of North Korean nuclear proliferation had already been played at RAND, particularly in its Washington, D.C., office, with U.S. government officials participating. After checking with and obtaining permission from the "Day After" games' directors, we drew heavily upon these exercises for both the substance (in constructing our game's scenarios) and the format (in organizing our game's moves) of the particular nuclear and conventional arms control game we finally developed for Korea.¹

The game plan that we ultimately employed to guide our preparations for the exercises in both Santa Monica and Seoul can be found in Appendix B. The plan outlines, in greater detail than presented here but in brief compass nonetheless, our vision of how this Korean arms control game should run in a "Day After" mode.

Since both of the games actually played—the one in Seoul as well as the trial run in Santa Monica—were essentially identical in structure and format, including the scenarios employed in each, they will be discussed together here as if one game (the one in Seoul) had been played. Where significant differences occasionally occurred between the way the game developed in Santa Monica versus the course of its development in Seoul, these differences will be identified. Any important similarities in the way the two games were played will be noted in passing as well.

Three main teams played in this game: One team represented the Republic of Korea (ROK) in the south; another team represented the Democratic People's Republic of Korea (DPRK) in the north; the third team represented the United States of America (USA), whose forces are allied with and deployed in the ROK. In addition, three teams composed of regional experts playing the roles of China, Japan, and Russia also participated in the exercise.

The game itself consisted of three main moves. What follows immediately below are selected highlights of all three moves. These highlights provide a kind of quick overview of the full game. The remainder of this appendix contains a detailed description of each move, as well as the wrap-up session, complete with an account of how each move was introduced, the ways in which the various

¹For more on the original RAND games, see Marc Dean Millot, Roger Molander, and Peter Wilson, *"The Day After . . .": Nuclear Proliferation in the Post-Cold War World* (Santa Monica, Calif.: RAND, IP-102-AF, February 1993).

teams responded to the introductory scenarios for each move, and the outcome of each move in terms of any decisionmaking or action taken by the different teams.

An "Overview/Highlights" subsection introduces the description of each move. By reading these sections, as well as the account of the wrap-up session at the end and the survey of the entire game that follows immediately below, one picks up not only a useful summary but also something of the flavor of the game. For the full effect, however, and for still-relevant insights into the complexity of both nuclear and conventional arms control problems on the Korean peninsula, there is nothing like the full report.

One year after this game was played and the full report of it was completed, Korean arms control issues had hardly changed at all. Given the absolute intransigence of the North Koreans and the policy decisions of their opponents, which had the effect of perpetuating a stalemate, it is not surprising that nothing much changed. One result of this static situation, however, is that the full documentation presented below is not only highly relevant but also, we think, uniquely worthwhile.

Top-notch players in Korea, as well as from the U.S., worked to solve the problems encountered in this highly challenging, virtually real-time political-military game. Conscientious reporters took good notes on what the players had to say, and the players addressed continuing, increasingly topical issues of Korean nuclear proliferation, arms control, and reunification. Given its complexity, with a total of six different teams playing at least three moves together involving switches back and forth in time, the game ran surprisingly smoothly, although not flawlessly. The results speak for themselves, but our clear impression from the record presented below is that this game's course and outcome more than justified the time, effort, and energy expended.

Game Overview/Highlights

Move I

The plan was to have the game begin far enough in the future to be able to dramatize, credibly, the potential dangers of North Korean nuclear proliferation, yet still be close enough to the present to preserve a sense of urgency about the problem and help players remain connected to current force postures and political-military realities. The first move, therefore, was set one year beyond April 1993, when the game was played in Seoul. The cutting issues were North Korea's prolonged unwillingness to accept special IAEA inspections of its suspected nuclear facilities, as well as a developing crisis that was bringing the North to the verge of deploying not only nuclear weapons but also longer-range missiles to deliver them.

The DPRK team decided to open its suspected nuclear facilities at Yongbyon to South Korean—not IAEA—inspections, to buy time for further development of its nuclear weapons program and to delay international reaction to its missile program. DPRK players agreed on the need for North Korea to continue developing nuclear weapons, to accept regular but not special IAEA (challenge) inspections, to explore a limited number of mutual inspections with the ROK, and to open a dialogue that would promise some opportunities for economic and humanitarian exchanges between the two Koreas, as well as with other countries such as Japan and the U.S.

The ROK team wrestled at great length with two potentially conflicting objectives, namely, to get rid of North Korea's nuclear capability, on the one hand, and to prevent a war on the peninsula, on the other. The fundamental question for the ROK players was: Which is better for South Korean national interests—Koreanizing or internationalizing the nuclear problem posed by the DPRK? The ROK team argued long and hard over this question. In the end, it appeared to decide that since North Korea would probably not forgo its development of nuclear weapons, even if significant political and economic carrots were offered, international sanctions and other such threats to the DPRK's security and stability on the peninsula were the only hope.

The USA team struggled with this same question and attempted to come up with new ideas for coercing the DPRK into living up to its international obligations on the nuclear issue. Ultimately, the U.S. players decided that the U.S. did not appear to have any really strong "sticks" at its disposal and that economic sanctions, while possible, were likely to have only a limited effect on the DPRK. In a decision that (in retrospect) prefigured actual U.S. government policies developed in 1993, the USA team settled on an approach involving consultations

with other regional powers (China, Japan, Russia, as well as the ROK) and maintaining channels of communication with the DPRK—in hopes of preserving stability and negotiating a solution.

The ROK team was surprised by the USA team's approach, since the South Korean players had been expecting a tougher stance from the U.S. The two teams agreed to disagree over the nature and seriousness of the situation and to keep in closer touch with each other, through informal as well as scheduled formal consultations, as subsequent moves in the game unfolded.

In their formal negotiating session with the DPRK, which ended the move, the ROK team argued that to reduce tension and international suspicion caused by North Korea's clandestine nuclear program, the DPRK must accept the IAEA's special inspections and also the mutual South-North inspections agreed to in 1991. The DPRK team blamed the tension and suspicion, as well as its temporary withdrawal from the NPT, on resumption of the Team Spirit exercise by South Korea and the U.S. in 1993; offered to accept regular inspections, but refused to accept special IAEA inspections; and suggested that more active pursuit of conventional arms reductions could produce "pilot" inspections of military facilities on both sides that might be extended to include suspected nuclear facilities.

Move II

Following Move I's excursion into the future, Move II brought players back to the present (i.e., April 1993, in Seoul). In light of their experiences from just having dealt with the potential future upshot of current security issues, the players were now asked how they would deal in the present with some of those same issues.

A key highlight of this move was the play of the DPRK team. The North Korean players decided to watch carefully how the ROK, the U.S., Japan, and the UN would respond to North Korean nuclear developments. If any of them were to act decisively by pursuing international sanctions and withholding economic incentives in the face of DPRK recalcitrance over the nuclear issue, the team agreed to begin addressing that issue with the U.S. and its allies in a face-saving way while trying to gain as many concessions as possible. In other words, the DPRK team decided that its development of a nuclear weapons capability was negotiable.

The DPRK team arrived at this position following a turning point in its deliberations occasioned by a meeting with the Chinese team. This meeting constituted another highlight of the move. In the meeting, Chinese players

informed DPRK team members that, if North Korea continued to postpone and duck resolution of the nuclear issue, it could not hope to avoid international sanctions forever and that China might not be able to stand by the DPRK in the end.

On hearing that, the North Korean team decided to extract as many concessions from the U.S. and others as possible before the current situation unfolded in a direction completely unfavorable to the DPRK's interests. The team assumed that ultimate disaster loomed in international economic sanctions, especially if these were added to the already crippled DPRK economy, and that even the Chinese might be forced to comply with them in the end. The players began to seek direct talks with the U.S. as the least they could do under the circumstances to hold impending disaster at bay.

Their minimum condition for changing their behavior was actually economic assistance pursuant to the establishment of diplomatic relations with the U.S. They decided that the two suspected nuclear facilities at Yongbyon and their extracted plutonium could be opened to a combined ROK-USA inspection team, either in the name of a "trial" inspection of military facilities or through existing agreements on ROK-DPRK mutual inspection of nuclear facilities.

The ROK and USA teams consulted together on this DPRK offer and decided to accept it. In ad hoc, extended negotiations with North Korean players, the ROK team even pursued further details of this potential solution to the nuclear problem well beyond the planned stopping point for Move II.

Although U.S. and South Korean players considered the need for more comprehensive (not just nuclear) arms control during this move, the DPRK team was not that interested. They only wanted to resolve the nuclear issue and avoid international sanctions. Beyond that, they hoped to maintain an edge over the South in conventional arms, so as to be able to exploit potential military opportunities in the future.

Move III

This move took players back to the future—specifically to October 1994. The session was remarkable for the changes that were assumed to have taken place in North Korea's political structure. Kim Il Sung was reported in the introductory scenario to have died, and his son, Kim Jong Il, was said to have failed in his attempt to succeed his father. In August 1994, the scenario reported, Kim Jong Il was deposed by a coup led by self-styled "pragmatic" military officers, who were trying to follow a Chinese model of development for North Korea that sought to

modernize the economy while maintaining Communist party control over the government.

The DPRK team put new, much more forthcoming positions and principles on the table for discussion and negotiation during the high-level talks conducted toward the end of Move III. Both the ROK and the USA teams acknowledged to their joint talks and in their separate deliberations that a basic change had occurred in the North, but each of these teams, to differing degrees, proved to be cautious about making specific overtures to the North under the circumstances.

The USA team was the most wary, arguing in favor of a wait-and-see approach—to ensure that declaratory and other changes in the DPRK actually bore fruit—before making any fundamental changes in ROK-U.S. policies, such as permanent cancellation of Team Spirit exercises. U.S. players observed that the North's new leadership consisted, after all, of people who were products of the former regime. They asked why these self-proclaimed pragmatists should be trusted any more than the Kims, at least until they had demonstrated their differences through consistent implementation of the new policies they were now proclaiming.

The ROK team was more forthcoming in its recommended approach to the new leadership in the North, preferring to encourage its chances for success by coming forward with policy carrots, such as an announcement that Team Spirit exercises would be canceled for good. The South Korean players were concerned, for the most part, not that the new North Korean leadership lacked credentials as a reform-minded group but that the group might fail in its efforts to put the DPRK on a new, more stable international path by attempting to follow the Chinese "model." The result of such failure, ROK players feared, would be a premature collapse of the DPRK, along the lines of the former East German model in Europe, with a big financial and economic bill for reunification left to be paid by South Korea alone.

Move IV

This move was played in Santa Monica but, because time ran out, not in Seoul. It featured further negotiations, in the context of the scenario presented in Move III (i.e., a post-Kim DPRK) on conventional arms control possibilities. A postgame canvas of some ROK players in the Seoul game revealed a continuing preference for implementation of CBMs prior to, and as preconditions for, conventional arms reductions.

Move I

Overview/Highlights

Each of the teams received the same information for this opening move. In accordance with the game plan (see Appendix B), the move was set in the not-too-distant future, approximately one year beyond April 1993, and in a hypothetical political-military scenario that prolonged North Korea's unwillingness to accept special IAEA inspections of its suspected nuclear facilities, while bringing the North to the verge of deploying not only nuclear weapons but also longer-range missiles to deliver them.

Following some confusion over whether North Korea had actually withdrawn from the NTP in 1993 (the control team clarified that the North had rescinded its original statement of withdrawal by July 1994), the DPRK team decided to open the suspected nuclear facilities at Yongbyon to South Korean—not IAEA—inspections. To buy time and ideas on how to delay international reaction to its successful missile program, the DPRK players also decided that missile issues should be made a part of overall arms reduction talks between the two Koreas.

Most of the team's deliberations involved discussion of which military facilities should be opened to the ROK in connection with arms control negotiations and mutual North-South inspections. Beyond that, the players agreed on the need for North Korea to continue developing nuclear weapons; to accept IAEA regular but not special inspections, as well as "limited" mutual inspections with the ROK; and to open a dialogue and opportunities for "managed economic exchanges" and "controlled" people-to-people exchanges between the two Koreas and, where appropriate, with other countries such as Japan and the U.S.

The ROK team wrestled at great length with two potentially conflicting objectives that it saw as the South's most basic goals given the scenario, namely: to get rid of North Korea's nuclear capability, on the one hand, and to prevent a war on the peninsula, on the other. The fundamental question that players asked and argued about was: Which is better for South Korean national interests—Koreanizing or internationalizing the nuclear problem posed by the DPRK? Although internationalization was necessary, some contended, the North and South Korean dialogue should also be kept open as a communication channel for potentially solving the problem. Proponents of internationalization countered that genuine inter-Korean dialogue is possible only when there is a fundamental policy change within North Korea itself.

Advocates of Koreanization replied that the South-North Korean communication channel should be maintained as a means of both delivering threatening

messages and encouraging reciprocity via a carrot-and-stick policy. Internationalists rejoined that, if the ROK tries to solve this problem through inter-Korean dialogue with a carrot, it would be severely criticized; in the current situation, the U.S. role is crucially important; hence, to solve the nuclear problem, the ROK had to create a carrot, such as permanent cessation of Team Spirit exercises, through negotiation with the U.S. while recognizing that the U.S. position could be completely different.

ROK players agreed in the end that the important question was whether North Korea would really forgo developing nuclear weapons, even if the U.S. were to stop Team Spirit exercises permanently, normalize diplomatic relations, and guarantee the DPRK's safety from nuclear attack. Players were skeptical that the DPRK would ever, genuinely, make this kind of trade, especially in view of the changing conventional military situation suggested by the scenario (which says that South Korea's conventional weapons are improving and moving toward becoming superior to those of the North). Some ROK players concluded, therefore, that the only possible means of eliminating North Korean missiles and nuclear arms was to rely on UN sanctions. Others suggested that the DPRK would give up nuclear weapons if possession of them, contrary to what North Korea expected, served to destabilize the North's security situation.

Meanwhile, the USA team also struggled with the scenario and its emphasis on a future nuclear crisis, which had taken players by surprise. At first players focused on what U.S. objectives should be, not only in the hypothetical situation presented but also in talks with the ROK team, which were scheduled to precede the formal ROK-DPRK team negotiations that would end the move. Team members attempted to come up with new ideas for coercing the DPRK into living up to its international obligations on the nuclear issue. In the end, however, they decided that the U.S. did not appear to have any really strong "sticks" at its disposal. Economic sanctions were possible, but they were likely to be limited in their effect on the DPRK. In casting about for an alternative, i.e., new "carrots," players broached such possibilities as a purely Korean economic incentive and the potential inherent in ROK conventional force superiority over time. They concluded by agreeing on a need to discuss the issue further with other players in the region (China, Russia, and Japan). Then they held such consultations.

Following these consultations, the team reasoned that almost any action taken under the circumstances would serve to fulfill the DPRK's desires (whether for nuclear weapons or for economic and political carrots). Hence, the players decided that it might be preferable not to do anything specific, by way of offering carrots or brandishing sticks, but, instead, to keep communication channels with

the DPRK open, confirm or correct current impressions of DPRK capabilities, as well as intentions, and, above all, seek to stabilize the developing situation.

The USA team communicated this view to the ROK team during their consultations immediately prior to the DPRK-ROK negotiations that concluded the move. The ROK team was surprised. They were expecting a tougher stance from the U.S. Instead of brandishing either carrots or sticks, however, the U.S. players went so far as to question whether a crisis even existed and recommended more intelligence gathering as the next step. The two teams agreed to disagree over the nature and the seriousness of the situation. (In retrospect, the USA team's calm, deliberate approach, focused on maintaining stability, reducing tensions, and working hard to bring the Chinese and others along, was not that different from—and now seems a harbinger of—the one taken in reality by both the U.S. and ROK governments during 1993–1994.)

In their negotiating session with the DPRK team, which concluded the move, the ROK team argued that, to reduce tension and international suspicion caused by North Korea's clandestine nuclear program, the DPRK must accept the IAEA's special inspections and also the mutual South-North inspections agreed to in 1991. The DPRK team blamed the tension and suspicion, as well as its temporary withdrawal from the NPT, on resumption of the Team Spirit exercise by South Korea and the U.S. in 1993; refused the IAEA's demand for special inspections as an obvious violation of the North's sovereignty; agreed to accept regular inspections by the IAEA; and urged more active pursuit of conventional arms reductions, suggesting the possibility that "pilot" inspections of military facilities in both the North and the South could be negotiated in this context and that such inspections might extend to suspected nuclear facilities.

Introductory Scenario

What follows is quoted directly from the instructions provided to each team.

Setting: Almost two years have passed since North Korea served notice of its intent to withdraw from the nuclear Non-Proliferation Treaty (NPT). The same political leaderships and elites remain in power around the region as were in place back in March 1993, when the DPRK announced its intention to withdraw from the NPT. In the three months that followed this announcement, feverish diplomatic activity appeared to have produced some second thoughts on the part of the North.

At the end of those three months, the time appointed in the treaty as the required waiting period between notification and actual withdrawal, North Korea made an important announcement. It said that it would continue to live according to the spirit of the Non-Proliferation Treaty, even to the

point of accepting regular IAEA inspections of its declared, non-military facilities, but it would not accept special challenge inspections by the IAEA because these discriminated against the DPRK. In the long history of the NPT regime, only the DPRK had ever been asked to permit such inspections, the North Koreans argued; clearly, they were being discriminated against, and they simply could not agree to such treatment.

The North Koreans also conditioned their future behavior with regard to NPT participation on the "assumption," as they put it, that the annual "Team Spirit" exercise in the South would never again take place. Whether or not in response to this DPRK condition, the exercise failed to materialize in 1994. The ROK and the USA contended that other factors, related primarily to tightening defense budgets, had prompted deferral of the exercise to subsequent years.

Both the North and the South have continued to hold periodic meetings at the Prime Minister level. Although these talks appear to be a continuation of the discussions on North-South unification that began well before the DPRK's announced withdrawal from the NPT, the meetings are in fact focused almost exclusively on questions involving the North's willingness to accept more widespread and intrusive inspections of suspected nuclear facilities.

Thus far, the North has successfully resisted all pressures to agree on a more expansive or intrusive inspection regime for the peninsula, but it has continually said "no" in a way that fails to shut the door on the possibility entirely. In April 1994, during one of the periodic North-South Prime Ministers' meetings, for example, the North proposed letting ROK inspectors visit the same facilities at Yongbyon that IAEA representatives had inspected in 1992, the only condition being that DPRK representatives conduct a similar inspection in the South. The ROK is expected to respond to this proposal at the next bilateral meeting of the two countries' Prime Ministers, which is scheduled for 15 July 1994 in Seoul.

Between the two Koreas, the conventional military balance seems increasingly to favor the South. Expansion of the high technology sectors of South Korea's military industry have led to accelerated modernization of the South Korean armed forces. Meanwhile, North Korea, increasingly strapped for hard currency, has been unable to buy advanced weapons from Russia or China. Many military observers believe that South Korea will gain an unambiguously decisive conventional edge by the end of the decade, if not sooner, and that this widespread perception has fueled support in the North for nuclear weapons programs.

South Korea: Clear signs of an imminent economic downturn are evident in the ROK, as well as some frustration (largely quiescent) within the body politic over the lack of progress toward "reunification" with the North. The deteriorating economic situation—caused, in part, by Japanese dumping of excess production in South Korea's traditional Asian markets; in part, by the looming prospect of increased American trade protection legislation—seems to give new political weight to those who argue that the

South should find its economic destiny in expanded relations with the North.

Most South Koreans, however, are less concerned about possible economic opportunities in the North than they are about the probable economic drain on their own society if unification occurs prematurely. Many policymakers awake with nightmares of German unification scenarios being replayed on the Korean peninsula; they put themselves back to sleep with assurances that it can't happen any time soon, given the continuing character of the DPRK under Kim Il Sung.

The student movement among young South Koreans, which once included well-publicized "exchanges" with leaders of several North Korean university and youth groups, still calls for a phasing out of U.S. military presence on the peninsula in the name of "pan-Korean" security and independence. But the silent majority of South Koreans appears wary of any precipitous change, of any kind, on the peninsula. For this reason, although they support a tough stand against the North on nuclear issues, most southerners seem willing to give time and diplomacy (both bilateral and multilateral) sufficient opportunity to resolve this problem, and they have not shown that much interest in suggestions (usually by others) that economic boycotts or military intervention might ultimately be required.

North Korea: The North Korean economy is in dire straits. Though the government has sanctioned some internal economic reform and tried to launch a joint economic free trade zone in the northeast with China and Russia, North Korean economic prospects appear bleak without a massive infusion of external capital.

North Korea's refusal to accept unlimited challenge inspection procedures remains the barrier to completion of a bilateral nuclear agreement, as well as any further progress on conventional arms control. The North Koreans insist that levels of intrusiveness venturing beyond historic IAEA practices reflect a "plot" by the United States to maintain political hegemony "over Korea and all of Asia." This line of argument has been accorded "a certain degree of understanding," North Korean propaganda proclaims, in a number of recent editorials in South Korean media known to favor reunification.

In a mid-year review dated 1 July 1994, the U.S. intelligence community reportedly concluded—in a finding apparently leaked to the American press—that North Korea would probably continue what are, by now, its obvious attempts to buy additional time through nuclear negotiations in order to build up a stockpile of weapons-grade material at its covert facilities. In addition to the acknowledged nuclear facilities at Yongbyon, there are suspected missile production facilities near Pyongyang. Furthermore, the intelligence community believes that the North Koreans have constructed modest-sized but highly capable underground nuclear warhead and missile productions facilities at a set of well-defended mountain sites.

At this point, according to the press reports, some intelligence analysts believe that North Korea probably has developed a handful of operational nuclear-armed SCUD C missiles (600 km range), even though there is as yet no evidence of special nuclear weapons handling and storage equipment in known SCUD C deployment areas. Other analysts believe that, while the North is getting close to production, it is still developing a small initial stockpile of nuclear weapons—one that is destined for a new, extended range, follow-on SCUD missile.

North Korea has continued to ship SCUD C missiles to Iran and has also provided substantial assistance to the development of an indigenous Iranian ballistic missile production capacity. In return Iran has bankrolled joint development of the new, extended range (over 1500 km) SCUD. Since late 1993, five successful flight tests of this missile have taken place, including one from a new Iranian launch facility.

A Crisis: During the first week in July 1995, the intelligence community identified two North Korean facilities in the Taedong River valley northeast of Pyongyang as probable operations sites for the new SCUD missile. At each site nine vertical silos were identified in various stages of construction—two silos at each site appear to be nearing completion. The very next week, two additional missile facilities, apparently intended to house mobile launchers for the new SCUD, were detected under construction near the Yalu River.

At the same time, a combination of human and technical sources confirmed and located a single remote and heavily defended production (and storage) facility for the new missile. One factor prompting the recent reevaluation of the North Korean SCUD program was information provided by the Russian Foreign Ministry to the effect that several former Soviet missile experts had joined the North Korean program. Two of the individuals identified were recognized as world-class experts in missile propulsion and guidance.

On 10 July, a sixth launch of the Iranian/North Korean SCUD was detected. The character of the telemetry on the test combined with the identification of the SCUD sites in North Korea has stimulated a debate within the intelligence community over whether the new SCUD might now be operational, even though only six test launches have been conducted thus far. The consensus among most intelligence analysts is that North Korea could deploy four to six operational, silo-based, extended-range SCUDs in two months; follow with another 10–12 in four months; and begin fielding mobile versions of the new SCUD within six months.

In a meeting with the U.S. Secretary of State on July 11, the ROK's ambassador to the United States revealed that new intelligence information available to South Korea has led to the conclusion that a handful of the new SCUD missiles would be equipped with nuclear warheads and deployed in "virtually invulnerable" mountain sites in "the near future."

Speaking on instructions from his government, the ambassador said that, initially, the ROK had been inclined to cancel the next negotiating session

between its Prime Minister and his North Korean counterpart, which is scheduled for 15 July, on the grounds that both South Korea and the United States have obviously been "taken for a ride" in their various negotiations with the North. On reflection, however, the ROK had decided to go ahead with the meeting and to use it as, perhaps, one last chance to dissuade the North peaceably from continuing the course of action it now seemed determined to complete. To that end, the ambassador requested a high-level meeting of American and South Korean officials in Seoul on 13 July to forge, the ROK hopes, a joint position for the Prime Ministers' meeting on 15 July.

Instructions to the Teams

Having set the stage for Move I with the foregoing description of the political-military situation on the Korean peninsula, we gave each team a more specific sense of its identity. In response to anticipated questions from the players, we stated more precisely (see the quoted instructions below) who they were supposed to represent in their respective countries and what role they were expected to play.

USA Team: You are playing the role of National Security Council principals (minus the President) and key staff (i.e., cabinet and sub-cabinet level policymakers). At the beginning of your team's deliberations for Move I, you should elect (or the Control team will appoint) a Chair of the group. This Chair will lead the team through the various steps of the move, outlined below, and through the other moves. The Chair will also serve as the Secretary of State (or his designated representative) and principal spokesperson for the group at all scheduled formal meetings with your U.S. and DPRK counterparts.

ROK Team: You are playing the role of top-level (e.g., cabinet and sub-cabinet) advisors to the President of the Republic of Korea. At the beginning of your team's deliberations for Move I, you should elect (or the Control team will appoint) a Chair of the group. This Chair will lead the team through the various steps of the move, outlined below, and through the other moves. The Chair will also serve as the Prime Minister and principal spokesperson for the group at all scheduled formal meetings with your U.S. and DPRK counterparts.

DPRK Team: You are playing the role of high-level political-military advisors in the DPRK. Given the nature of its society, decisionmaking in the DPRK probably requires your group to assume that someone in it has the ear of, or some other direct line to, Kim Il Sung himself. At the beginning of your team's deliberations for Move I, you should elect (or the Control team will appoint) a Chair of the group. This Chair will lead the team through the various steps of the move, outlined below, and through the other moves. The Chair will also serve as the Prime Minister and principal spokesperson for the group at all scheduled formal meetings with your ROK counterparts.

Chinese, Japanese, and Russian Teams: You are playing the role of high-level (sub-cabinet) advisors to the leaderships of your respective countries.

Once the teams had been introduced to these roles, they received further instructions (quoted below) on how to go about playing those roles and what to produce as a result. Each team received a variant, differing only in terms of the team being addressed, of the following generic directions.

The Chair should initiate discussion in Move I by asking the other team members to give, briefly, their individual reactions to and perspectives on the international situation presented above.

Then the team should attempt to decide collectively, and write down, what the key objectives—political, economic, military—are that the country it represents is likely to be seeking at this point in the game, as well as what the team's objectives are going to be in the consultations and negotiations that will be taking place during Move I: first, between the USA and its ROK counterparts [in the case of those two teams]; then, between the ROK and the DPRK.

Once each team has its own objectives in order—to include an indication of the priority or ranking among the different objectives, as well as key obstacles to achieving them—it should attempt to write down a similar assessment of the expected objectives of the other teams.

Next, the team should try to specify, for itself

- which policy issues are most likely to arise in or around the negotiations, e.g.,
 - diplomatic
 - military
 - economic
 - domestic political
 - declaratory
- which of these issues are so important that the team, or the country it represents, will not compromise on them, and where flexibility may be possible
- what the expected positions and priorities of other teams (countries) on each of these issues are likely to be.

When the team has settled on its list of key objectives and policy issues, the Chair should summarize the group's positions to this point. If a consensus cannot be reached on any position, team members should vote on the options and record the vote.

On the basis of the Chair's summary of accepted positions, the team should help the Chair write down, separately, talking points for presentation of the team's negotiating position in the forthcoming face-to-face consultations between the USA and the ROK [in the case of those two

teams] and between the ROK and DPRK. Once these talking points are ready, the team can expect to proceed to the meeting with its allied counterparts [in the case of the USA and the ROK].

In the meantime, or at any time it feels the need to do so, any team will be permitted—provided it goes through the Control team—to initiate direct diplomatic communications or meetings with any of the three main teams (USA, ROK, DPRK), as well as with representatives of other regional powers (China, Russia, Japan).

Team Deliberations

DPRK Team. As instructed, the Chair solicited individual players' perspectives on both the international and the domestic situation of the DPRK. The ensuing discussion raised a number of issues, including some challenges to assumptions underlying the introductory scenario itself. Some players argued that the scenario was unrealistic. There are no sanctions already in place against North Korea in this scenario, they observed, even though one might expect the international community to have enacted them under the circumstances. Furthermore, players contended, while all the NPT measures—e.g., the special challenge inspections—would not be accepted by North Korea, the DPRK would not, in the end, withdraw from the NPT.

DPRK players took note of two important points in the scenario: the accumulation of nuclear material and the development of a missile delivery system by the DPRK. The players believed they should have been provided with a more explicit policy directive from Kim Il Sung concerning development of nuclear weapons and deployment of nuclear armed missiles, given that, before July 15 (more precisely, July 11), Kim Il Sung had ordered the development of nuclear weapons at the rate of one per month. Nevertheless, despite problems with the scenario, the DPRK team agreed that, at this stage, it had to decide on objectives for the DPRK in the current situation; map out positions on various issues between North and South Korea; and determine priorities among political, diplomatic, economic, and military categories of objectives and issues.

Some players then argued that the DPRK had to pursue development of nuclear weapons as its main objective. It had to force the international community to recognize the nuclear status of North Korea, on North Korean terms; only then should the DPRK accept regular—not special—inspection of its nuclear facilities. Other players said that the DPRK would have to pursue normalization of diplomatic relations with Japan and the U.S. as the prime objective. Secondly, the DPRK would have to negotiate with South Korea on issues involving bilateral nuclear inspection and economic cooperation.

DPRK players ultimately agreed that, based on a presumed resolution of nuclear issues between North and South Korea that would allow challenge inspections only at agreed sites, they would approach Japan and the U.S. in pursuit of normalization. Specific measures on nuclear inspection should be discussed with South Korea directly, and the DPRK would also have to begin conventional arms control talks with the ROK. In addition to the nuclear sites, players suggested, the DPRK could also add several military sites to the list of those agreed upon as available for inspection as more propaganda.

The DPRK should not allow the site for nuclear waste material at Yongbyon to appear on this list, players contended. If the DPRK were to allow inspection of this nuclear waste site, both the IAEA and South Korea would know for sure of the DPRK's intentions to develop nuclear weapons. Instead, the DPRK could list for inspection radio chemical labs, such as the one at Kim Il Sung University. DPRK players noted that they would have to develop further the logic they would employ to reject inspection of the nuclear waste site at Yongbyon. As further criteria for permitting inspections, they agreed, only the lowest possible number of additional inspection sites should be included.

Moreover, players observed, the DPRK would also have to demand that South Korea accept inspections of several locations on its territory. According to the introductory scenario, South Korea will be satisfied with accepting inspections at the same numerical level as IAEA inspections and excluding suspicious places; some DPRK team members questioned this assumption by saying that, at best, ROK acceptance of such arrangements was uncertain. To complete the development of nuclear weapons and longer-range ballistic missiles, players argued, the DPRK would have to use the formal dialogue between North and South Korea, as well as bilateral nuclear inspections, to replace IAEA inspections. By employing negotiations on bilateral nuclear inspections as a stalling tactic, the DPRK could delay the actual inspections as long as possible and, in the process, manipulate South Korean public opinion to the North's advantage. Some players expressed doubt, however, over the possibility of delaying mutual inspection for such purposes.

On missile issues, DPRK players said that the country's export of its missiles is very important in order for it to earn hard currency. Nevertheless, the DPRK would have to think seriously about the measures required to cope with U.S. detection of its exports to the Middle East. We have to use international opinion that favors missile exports, players suggested, as a bargaining chip against the U.S. We have to claim that our missiles are not nuclear armed but, rather, conventionally armed.

Under the guidance of its chair, the DPRK team moved on to write down its key objectives as follows:

- We will accept bilateral (ROK-DPRK) nuclear inspections of only those sites the IAEA has already inspected. Other military issues will be discussed within the framework of the joint (ROK-DPRK) military commission. We would not accept challenge inspection of suspected, but not otherwise listed, nuclear sites.
- We have to persuade South Korea to expand economic cooperation with us. In addition to this, we have to think about some bargaining chips as well as concessions to South Korea to maximize our benefits in talks with the ROK. For example, we can use the exchange of people and separated families, plus sports exchanges, as a concession to South Korea if it agrees to proceed with the North and South dialogue.
- These concessions are not sufficient to induce South Korea to expand its economic exchanges with us, and so we have to give South Korea something more directly related to nuclear issues. Hence, we will agree to high-level bilateral talks on these issues. The prime objective of such high-level talks is to buy time for development of nuclear weapons, to enhance economic cooperation, and to create conditions for normalization of diplomatic relations with Japan and the U.S. Finally, we also have to pursue a policy of conventional arms limitation and reduction.

The DPRK team also spelled out the tactics it planned to employ in pursuit of the foregoing objectives:

- (1) On nuclear inspections, we will have bilateral inspections six months later—i.e., following the initiation of high-level talks.
- (2) Inspection sites should be only those already designated by us—i.e., no challenge inspections. If South Korea demands additional sites for inspection, or challenge inspections, we have to transfer this issue to the joint nuclear commission.
- (3) We will use the issue of exchange of people and reunion of separated families as a concession to South Korea. The location for meetings on this issue should be confined to Panmunjom. We should also expand the scope of joint research with the ROK.
- (4) Economic exchanges should include
 - (a) technical blueprint
 - (b) investment of capital
 - (c) limited area
 - (d) limited number of personal exchanges.

On matters of normalization of diplomatic relations with Japan and the U.S., we have to open a new channel for communication in order to enhance the level of contact and raise it to embassy level using Beijing. We

can utilize South Korea as a new channel of communication between North Korea and the U.S.

Furthermore, we can adopt a more flexible posture on missile export as a way to approach the U.S. For example, we may join the Missile Technology Control Regime (MTCR) and restrict our export of missiles to the Middle East.

Stepping back (or up) to a higher level of objectives, strategies, and policies, the DPRK team concluded that the primary objective of North Korea at this stage is to maintain the current regime (or the survival of the regime as a socialist state)—not unification of the Korean peninsula on the DPRK's own terms through the use of force. A secondary objective is the pursuit of a Korean (con)federation that would be favorable to the North Korean style of government. Third in line would be creation of an international environment favorable to North Korea.

For these purposes, the team decided, development of nuclear weapons is required as a means, first of all, to ensure the DPRK regime's survival; second, to drive a wedge between the ROK and the U.S. to prevent them from attacking North Korea; and, third, to enhance internal unity and cohesiveness.

To solve the DPRK's economic problems, the players said, it is necessary for North Korea to develop and expand on good economic ties with South Korea, Japan, and the U.S.

To achieve unification of the Korean peninsula, the DPRK team did not rule out the possibility of North Korea using its military forces for that purpose.

Temporarily, however, it is more practical to create conditions for peaceful coexistence, they said, than it is to make war. As a form of unification, the players said they would prefer a Korean confederation over some more all-encompassing, functional unification.

Our policy toward the U.S., DPRK players concluded, is as follows:

- (a) If the U.S. withdraws forces from South Korea and
- (b) If the U.S. replaces armistice treaty with peace treaty and
- (c) If the U.S. agrees upon the establishment of a nuclear free zone in and around Korean peninsula and
- (d) If the U.S. guarantees NSA (Negative Security Assurance) toward North Korea and
- (e) If the U.S. agrees on the establishment of diplomatic relationships with North Korea,

Then, we will accept nuclear inspection and we may cooperate in destroying already developed nuclear weapons.

Our policy toward the South Koreans, they said, is the following:

- (a) Enhancement of economic ties and trade
- (b) Exchange of people and the reunion of separated families
- (c) Cultural and sports exchange
- (d) Demand for playing the role of mediator between North Korea and the U.S.
- (e) Bilateral nuclear inspection.

Our policy on conventional arms control, they maintained, involves a symbolic announcement of troop reductions followed by weapons reductions.

Our policy toward Japan, they said, would include the return to Japan of any Japanese wives who wished to return and a demand for economic aid (in the form of war reparations).

ROK Team. Responding immediately to the chair's opening charges, the ROK players began their deliberations by exploring what the political, economic, and social goals of South Korea should be, what priorities could be assigned among the goals, and why these particular goals and priorities have been chosen. In addition, the South Korean players resolved at the outset of their deliberations to discuss other issues, such as: what they should demand of North Korea and the U.S. at the negotiating table, what kind of problems would arise from other regional states, what solutions to current problems would and would not be acceptable to South Korea, and what responses to these problems might be expected from North Korea and the U.S.

Following an extensive discussion of South Korea's goals and objectives in the current situation, the team chair concluded that the two most basic goals were, on the one hand, to get rid of North Korea's nuclear capability and, on the other, to prevent a war on the peninsula. The chair also categorized the various means or measures proposed in team discussions for achieving these ends into two fundamental strategies, each of which might involve a comprehensive but distinctive political, diplomatic, economic, and military approach: (1) methods to induce voluntary abolition or abandonment of the DPRK's nuclear capability via political, diplomatic, and/or economic pressures or the possibility of reciprocal trade-offs in these and other (e.g., military) areas with the North and (2) steps taken to get rid of North Korea's nuclear capability by force—to include the forceful response method of "sword to sword."

In the process of developing this categorization, the chair ruled that methods for nullifying the value of North Korea's nuclear weapons, if their existence were to be confirmed, should not be considered a goal but, rather, an advanced strategy. Such a strategy should be developed later, if necessary. It could readily be supplied with comprehensive political, diplomatic, and military dimensions to serve either a mid- or a long-term goal of North-South arms control, which should be pursued continuously in any event.

During their discussions, some ROK players had asked whether it was possible to nullify the value of any North Korean nuclear weapons by ameliorating North-South relations through negotiation and economic cooperation. They had also wondered aloud whether, in such a case, the U.S. would calmly accept the fact of North Korea having developed nuclear weapons, as well as how Korean interests would be differentiated if the DPRK's possession of nuclear weapons were to be accepted as a *fait accompli*. Players also noted that the possibility of North Korea's sudden collapse could not be ignored and that, in this case, South Korea's interests and relationship to a collapsed DPRK should be considered.

In the end, the ROK team decided that it had at least five main objectives or goals in the current situation, and it listed them in the following order of priority:

1. Get rid of the North Korean nuclear threat
2. Suppress any DPRK military provocation directed at the ROK (e.g., SCUD missiles and other weapons of mass destruction)
3. Eliminate or restrain other North Korean armaments and military power (e.g., conventional forces)
4. Encourage the peaceful change of North Korean leadership
5. Promote confidence-building and the normalization of economic exchanges with the DPRK
6. Pursue ROK-DPRK negotiations for arms reductions.

The sixth objective listed above surfaced early on in the ROK team's discussions but submerged later, so much so that it even failed to make the final list of priorities.

The ROK team also determined that it had at least five policy alternatives or tools at its disposal. These could be employed in the process of promoting any or all of the goals listed above. The five alternatives identified by players consisted of

1. continuation (or cessation) of the North-South dialogue

2. maintenance (or reinforcement) of the U.S. guarantee of a nuclear umbrella for South Korea
3. Various policies (from arms control to force posture dispositions) for preventing any provocation of war
4. cancellation (or continuation) of Team Spirit exercises
5. guarantees of (or threats against) the DPRK regime's security.

In the course of their deliberations, South Korean players put some questions about the introductory scenario to the Control team. After North Korea withdrew from the NPT, they asked, have there been any efforts emanating from the UN to impose sanctions? Was cessation of the annual Team Spirit military exercise brought about through a U.S.-ROK agreement? Is this a temporary cessation or a permanent one?

The Control team responded that North Korea had already returned to the NPT in a formal sense. The current situation is that North Korea receives regular inspections without getting any challenge inspections, according to the Control team. The UN took no action to impose sanctions. The U.S. and South Korea had consulted with each other beforehand and together decided to suspend Team Spirit more or less indefinitely.

The Control team's response regarding UN sanctions prompted members of the ROK team to ask the Control team whether China, Japan, and Russia were cooperating in efforts to oppose North Korea's acquisition of a nuclear weapons capability. Members of the Control team routed this question to the different expert teams, each of which furnished an answer that the Control team then forwarded to the South Koreans.

Japan said that it shared ROK concerns with recent developments in the DPRK and supported South Korea fully in its efforts to obtain a peaceful resolution to the current situation. Japan promised not to initiate any nonpeaceful actions, given the situation, and expressed a desire to engage in consultations with South Korea prior to its meeting with the North. Russia likewise expressed concern over the course of developments in Northeast Asia, a region in which it reaffirmed a strong interest. The Russian response focused on the importance of preserving the IAEA regime from such challenges as the DPRK was mounting and, like the Japanese, proposed direct consultations with South Korea as a way of addressing questions and concerns about what the most effective approach to North Korea might be. The Chinese team said that China would support everything decided by the UN; they added, however, that economic or other

sanctions directed against North Korea did not seem to be desirable. China offered to work as an intermediary between the ROK and DPRK.

Considering these various responses, the South Korean players came up with a great variety of observations on the likely future course of events. There will be a lively debate, some argued, about whether to take sanctions against the DPRK because of North Korean rejection of challenge inspections, which disregards the IAEA's mandate, as well as about the proper level of sanctions. Others proclaimed that, given a situation in which North Korea is nuclear-armed and its SCUD missiles are deployed, there will be considerable domestic anxiety among the South Korean people. It was observed that some mass media, which tend to advocate North Korean positions in any event, can now criticize any sanctions against the DPRK because it has returned formally to the NPT. Such media would even question why South Korea should support sanctions against the North when India and Pakistan also possess nuclear weapons.

As one ROK player observed, the situation in the introductory scenario is the same as the previous one (prior to March 1993) in which North Korea refused to accept any challenge inspection of suspicious sites. Even though North Korea has formally returned to the NPT, the IAEA cannot solve the problem inherent in the DPRK's nuclear program. That problem should be solved at the level of the UN. Another player began to question Japan's position regarding North Korean nuclear armament, wondering whether Japan was now going to be nuclear armed and what the corresponding Chinese position would be on such a development.

In response to an observation that team deliberations were becoming too broad to draw meaningful conclusions, one ROK player suggested organizing them into the categories below to gain control over the various issues in play, narrow down the agenda, and organize the ROK's position for its forthcoming meetings with both the USA and DPRK teams:

1. Relations with the UN: The key question is how to devise an effective means of pressure. The goal is to gain UN support of South Korean goals. Especially important is how to get China to support the ROK's position. Also, the U.S. role in this regard should be considered.
2. Relations with the U.S.: We should ensure U.S. cooperation in all aspects of the Team Spirit exercise, the guarantee of South Korean security in confronting the nuclear problem, and a safeguard against any North Korean military provocation.

3. Relations with North Korea: Let's discuss it separately in connection with our negotiating strategy for the scheduled meeting with the DPRK team.
4. Domestically: The key question is whether to solve economic problems through political and economic exchanges with North Korea, as public opinion appears to favor.
5. Relations with the surrounding countries: Japan and Russia will cooperate positively, but how should they cooperate with us in solving this problem?

The Chair suggested that the team focus on what it should demand from North Korea at the high-level talks scheduled to take place, according to the scenario, on July 15. The most important thing is the nuclear problem, various players maintained. In terms of priority, what is most immediate is to get rid of the nuclear threat. Without solving that problem, nothing else could be done—whether it involves confidence-building, more comprehensive arms control agreements, or whatever.

More than anything else, the players said, we have to propose that the Joint Military Committee should discuss ways to abolish means of delivering nuclear warheads and weapons of mass destruction—according to the Basic Agreement between North and South Korea and their Joint Declaration of Denuclearization. Through the challenge inspection of known nuclear sites, the ROK itself would have to find out whether the DPRK is really nuclear-armed.

The Chair noted that North Korea had previously proposed mutual inspections between South and North Korea. If the South Koreans inspect Yongbyon in North Korea, the DPRK would also demand the right to inspect similar facilities in the ROK. Another player replied that inspection not only of suspected sites at Yongbyon but also of military bases was at issue. Through mutual ROK-DPRK inspections of military bases, doubts about nuclear weapons should be cleared away. The Chair concurred, adding that the ROK's expectation had been that weapons of mass destruction should be abolished right away, in light of the Basic Agreement between the two Koreas, and that challenge inspections of suspicious military bases should be conducted.

Although it is not publicly certified yet, some players contended, there is a clear intelligence judgment (in the scenario) that North Korea has deployed SCUD missiles on which nuclear warheads could be installed, but North Korea still emphasizes that it will abide by the NPT in spirit, even though it does not live up to the NPT's requirements in practice. There will be a discussion at the UN about whether a military sanction should be applied to North Korea. The U.S. would

probably maintain the position that some military sanction is necessary, the players said, but the method will be jointly discussed.

What is important, other players responded, are the ROK's strategies toward North Korea, the U.S., and the UN, and there exist two positions regarding getting rid of North Korea's nuclear threat. One is that we should Koreanize the nuclear problem by providing carrots, if any, and another is that we should internationalize that problem. If we want to Koreanize the nuclear problem, we should find a carrot such as the opening up of U.S. bases in Korea to DPRK or loose mutual inspection. If our policy is to bring North Korea out into international society by internationalizing the nuclear problem, we should find a different strategy that moves in that direction. The fundamental question, therefore, is which is better for South Korean national interests? Koreanizing or internationalizing the nuclear problem posed by the DPRK?

The player who framed this question voted for internationalizing the problem. Meanwhile, others argued that, although internationalization was necessary, the North and South Korean dialogue should also be kept open as a communication channel for potentially solving the problem. Proponents of internationalization contended that genuine inter-Korean dialogue is possible only when there is a policy change within North Korea itself. Advocates of Koreanization replied that the South-North Korean communication channel should be maintained as a means of both delivering threatening messages and encouraging reciprocity in the case of a carrot-and-stick policy.

When we try to solve this problem through inter-Korean dialogue with a carrot, internationalists rejoined, we will be the ones to be criticized. In the current situation, the U.S. role is critically important. If we want to solve this problem, we have to create a carrot through negotiation with the U.S., such as the permanent cessation of the Team Spirit exercise, but we must recognize that the U.S. position can be different.

Discussion then shifted to what North Korea's position would be at the forthcoming high-level talk on July 15, and what position South Korea should take in response. The ROK could be expected to make demands involving nuclear weapons, weapons of mass destruction, and challenge inspections, but players believed they should talk more about what North Korea's response would be. One suggested that North Korea would say that the nuclear threat from Japan and the U.S. should be gotten rid of first, before the North is asked to do anything else, and that the DPRK has neither the intention nor the capability of producing nuclear weapons.

Furthermore, in a situation such as this, where there is a distinct possibility that the DPRK will deploy SCUD missiles and manufacture nuclear weapons, North Korea can be expected to demand a big concession for doing anything. The ROK might even want to reconsider, one player suggested, whether it should demand challenge inspections, which have been called for since 1992 but never accepted. If public opinion comes to believe that the failure to block North Korean nuclear development stems from the demand for challenge inspection, it might be better for the South to demand abolition and destruction of weapons, as well as the right to witness or inspect the scene where abolition or destruction takes place. In this view, abolition and inspection should be conducted simultaneously.

A consensus failed to form around this position, however, and players moved on to summarize anticipated North Korean attitudes and positions, which would be on display in the scheduled ROK-DPRK negotiating session, as follows:

1. North Korea is expected to want direct negotiations with the U.S. Thus, North Korea will never accept challenge inspection from South Korea, but it will accept legitimate international inspection as a condition for diplomatic normalization with the U.S.
2. The permanent cessation of the annual Team Spirit exercise will be solicited by the DPRK from the international community, including China, to help guarantee North Korean security.
3. Economic and political détente will be tried between the South and the North. If the South's utmost goal in the negotiation with North Korea is to solve North Korean nuclear issues and normalize inter-Korean relations, the big question is whether the ROK should allow the U.S. to directly contact North Korea. If North Korea thinks that it is getting a big enough carrot by so doing, North Korea might allow challenge inspections.

ROK players tried to sum up their deliberations by concluding that whether North Korea would ever accept challenge inspections is related to whether it will give up developing nuclear weapons. The important thing, in other words, is whether North Korea will really forgo nuclear weapons, even if the U.S. were to cease permanently the Team Spirit exercise with the ROK, normalize diplomatic relations, and guarantee the DPRK's safety from nuclear attack.

The players were skeptical that the DPRK would ever, genuinely, make this kind of trade, especially in view of the changing conventional military situation suggested by the scenario. Most ROK players seemed to believe that the DPRK team would feel threatened by South Korea (even without the U.S. Army)

because South Korea's conventional weapons capabilities are said to be improving and moving toward becoming superior to those of the North.

Hence, some ROK team players concluded that, since North Korea might not give up nuclear armaments in any event, the only possible means of eliminating such arms was to rely on UN sanctions. Others suggested that North Korea will not abandon nuclear weapons unless it thinks that it will get killed because of its possession of them. This judgment was rephrased to suggest that the DPRK would give up nuclear weapons if its possession of them critically destabilized North Korea's security situation on the peninsula.

The discussion then focused on what most threatens the North Korean regime's security. In that further discussion, ROK players acknowledged not only military sanctions but also China's participation in any sanctions entailing the economic and diplomatic isolation of North Korea as the pressures most likely to be effective. Nevertheless, if North Korean behavior in response to such pressures proved at any time to be irrational, South Korea would only be the victim in the end. One player raised a question, in this regard, of whether the South should even allow any time for North Korea to threaten the ROK, rather than launching its own surprise attack on North Korea's nuclear weapon capabilities. No other players, however, endorsed this suggestion.

ROK team players did agree to come on strong and press their demands on North Korea in the forthcoming (July 15) negotiations, but at the same time, they also agreed on the desirability of maintaining channels of communication between South and North. Pushing North Korea too hard on the nuclear issue, some players argued, might ruin ROK-DPRK contacts, and the South-North dialogue might cease. Therefore, the ROK team should address the problem in an appealing manner and not just issue an ultimatum about nuclear weapons without also proposing a comprehensive arms control plan. In the end, South Korean players opted to employ the dual method of maintaining communication between the two Koreas while simultaneously applying international pressure to the DPRK—i.e., by making China exert a critical blow to North Korea at the request of the U.S. and Japan.

Some ROK players warned, however, that if the South Korean government continues with South-North conferences, even though North Korea does not give up nuclear weapons, it will incur a considerable political burden and raise such questions as: How can the South Korean people trust such a government? There will be many people who would prefer stopping negotiations with the North entirely. As one player noted, the basic problem is that we feel that we were deceived by North Korea.

ROK team deliberations ended with creation of the following list of things to discuss with the USA team, consultations with which were scheduled to follow immediately:

1. A guarantee of North Korean nonuse of nuclear weapons
2. Whether the U.S. intends to negotiate directly with North Korea for solution of the nuclear problem
3. What South Korea thinks about the U.S. negotiating directly with the DPRK
4. The importance of the U.S. relationship with China as key to making China join in any UN sanctions.

U.S. Team. Initial discussions among U.S. team members centered around the issues most likely to arise in negotiations with the ROK team and, ultimately, with the DPRK. The U.S. players divided the issues into three categories: economic, military, and political. They suggested the possibility of sanctions in the economic category and listed the following issues in the political category: bilateral ROK-DPRK versus IAEA inspections, lack of any prohibition against reprocessing, and the opportunities for making an international statement depending on whether inspections take place.

The team turned next to documenting and recording U.S. objectives, as instructed. They named regional stability as the "macro" objective for the U.S. and understood it to include peaceful resolution of the nuclear issue. In addition, the team listed the following more specific objectives for the U.S. in the region:

- Achieve a nonnuclear Korean peninsula
- Develop means for achieving a nonnuclear peninsula
- Avoid undercutting the ROK government
- Deny long-range missile capability via the Missile Technology Control Regime (MTCR)
- Prohibit any weapons of mass destruction.

In discussing these objectives, team members asked such questions as what kinds of carrots and sticks they might provide for the ROK government to take into its negotiations with the DPRK. They reaffirmed the linkage between nuclear nonproliferation, as their basic policy, and any rewards for good behavior by the DPRK. They considered what to say more generally about nuclear weapons in the region and concluded that they would inform the ROK of their intention to tell the Japanese the same thing as the DPRK about nuclear capabilities, missile

technologies, etc., namely, that the U.S. government opposes any state threatening another state in ways that could lead to destabilization of the region.

If the forthcoming negotiating session between the ROK and the DPRK was indeed a last resort, the USA team concluded, it was important for the U.S. to inform the ROK that it must tell the DPRK exactly what it would take to deescalate the current crisis situation. The ROK team must be clear on its and U.S. intentions, as well as on the consequences the DPRK should expect to incur by thwarting them. According to U.S. players, their country neither would nor should be led into the corner on this issue. They planned to emphasize in talking with the ROK that its negotiating session with the DPRK was probably not the last resort. There was probably a range of "or else" options—i.e., further "sticks"—that needed to be defined.

After attempting to come up with new ideas for sticks, the USA team decided that it did not appear to have any really strong ones at its disposal. Economic sanctions were possible, but they were likely to be limited in their effect on the DPRK. In casting about for an alternative, i.e., new "carrots," players broached such possibilities as a purely Korean economic carrot and the potential inherent in ROK conventional force superiority over time. They concluded by agreeing on a need to discuss the problem and various possible approaches to it with other players in the region (China, Russia, and Japan).

USA-China Team Consultations. The U.S. players then informed the Control team of their desire to consult with players from the teams representing these other regional powers. The Chinese players were the first to come and meet with the USA team, which asked them: (1) How much leverage does Beijing have on the DPRK in this situation? (2) What does China think should be done in this situation?

The Chinese players responded to the first question by saying that China takes the situation seriously. Development of nuclear weapons by the DPRK has raised the current crisis to new levels. China has tried in the past to convince the DPRK to stop its nuclear program and keep the peninsula nonnuclear. Asking that the information be treated sensitively, the Chinese players said that their influence with the DPRK was not particularly great.

To the second question, the Chinese players replied that any discussion with the DPRK should feature concrete terms and conditions. They recommended that the U.S. discuss the current situation directly with the DPRK. China, they said, does not believe in the application of economic sanctions and thinks they would only worsen the situation. From the Chinese point of view, the DPRK already

perceives that the ROK is increasing in conventional capabilities and believes that "everyone is against us."

After observing that China had delivered the same sorts of answers to U.S. questions in 1993, that the Chinese did not support sanctions then either, and that nothing thus far has deterred the DPRK, U.S. players asked their Chinese counterparts what they thought the DPRK's primary concern might be. The Chinese players responded with offers to help facilitate a dialogue with the DPRK, expressed a desire to resolve issues peaceably, but reiterated that their ability to influence DPRK was limited. They wanted to know what the U.S. might have in mind, what they are prepared to compromise on, and whether there was any potential for reciprocity in efforts aimed at resolving the crisis.

U.S. players said that they were not interested in supplanting an inter-Korean dialogue on the peninsula. However, the proliferation of nuclear weapons was an international as well as a regional problem. The U.S. was, therefore, contemplating economic sanctions. The Chinese players reiterated their belief that sanctions would only worsen the situation. They did not want the DPRK to be backed into a corner, they said. The USA team asked the Chinese representatives whether they could explain in more detail the reciprocity mentioned earlier. The Chinese players answered that they had been speaking in general terms; they declined to provide further details or get into specifics, but they did reiterate their previously expressed willingness to help.

Afterwards, in reviewing the course of their discussion session with China, the USA team assessed the Chinese response to be realistic but not surprising—in the context of both the game and the real world. This is a way for China to take the long view with regard to a potentially reunified Korea, players suggested. Presented in the scenario with a conventionally strong ROK, the nuclear position of the DPRK, as described, reduces the possibility of China facing an extremely strong, unified Korea in the near future.

The USA team then focused again on preparing for its upcoming talks with the ROK. Once more players asked themselves: What are the appropriate carrots and sticks? This time they came up with the following possibilities:

- ROK offers of economic assistance to the DPRK
- a U.S. offer to influence Japan to quit "dumping" in Korea
- a regional economic package, in addition to ROK assistance
- confidence-building measure types of agreements
- an offer to withdraw U.S. ground forces.

The team also discussed the possibility of the ROK developing its own nuclear program, but players generally considered this option to be either not viable or unlikely.

USA-Japan Team Consultations. Next to arrive for consultations with the USA team were representatives from the Japanese team. U.S. players wanted to know how the government of Japan viewed the current situation and what it might consider necessary, and might support, to resolve the crisis. The U.S. team began the meeting by saying that it was contemplating economic sanctions but that China did not support such measures. U.S. players added that they were considering carrot, as well as stick, approaches to the DPRK, as incentives for good behavior. They mentioned that Japan has been perceived to be dumping its economic products in Korea, and several players asked pointedly what Japan could do to help influence the DPRK in the current situation.

The players representing Japan acknowledged that the crisis was serious and said that they wanted to be as supportive as possible. They wondered, however, whether the carrot-and-stick approach would or could be enough to resolve the current crisis. They asked if the U.S. had fully considered the multilateral dimensions of the issue, and they indicated that Japan was not sure whether economic sanctions could work. The DPRK relies on foreign assistance for only 11 percent of its resources, the Japanese players said; hence, they did not think sanctions would do what both they and the U.S. players wanted vis-à-vis the DPRK. Likewise, they said, offers of economic assistance might not necessarily prove to be a welcome carrot for the highly insulated DPRK. The players representing Japan recommended formation of a multilateral security dialogue or mechanism to address the problem, and they pledged to do their part in any multinational effort to resolve the crisis.

USA-Russia Team Consultations. Before proceeding to its scheduled bilateral consultations with the ROK team, the U.S. players asked the Control team to set up a consultation session for them with the team playing Russia. When Russian team representatives arrived for this session, and the USA team solicited their views on the developing situation, they expressed concern not only about the security implications for Northeast Asia but also about the broader implications for nonproliferation efforts worldwide. The players representing Russia wanted to take action to ensure that the DPRK would adhere to NPT and IAEA requirements, but they did not want any actions taken to worsen the situation. Their bottom line appeared to be a desire for participation in consultations, which they deemed necessary prior to any proposed actions or solutions to the problem.

The USA team asked what leverage Russia might have on the DPRK to influence its behavior. Since the Russians were former allies and treaty signatories, the U.S. players wanted to know just how influential Russia might still be with the DPRK. We are not sure, the Russian players replied, but we are trying to repair the relationship. They said they believed that China would play the key role in influencing the DPRK.

The U.S. players shared with their Russian counterparts the substance of their discussions with the Chinese team. The Americans also volunteered their assessment that too few carrots and few sticks seem to be available for influencing the DPRK's behavior. The Russians offered to engage the DPRK in dialogue to ascertain more detailed information about their intentions and perceptions, their relationships to the U.S. and to the ROK, and any other issues they might see embedded in or conditions they might attach to the deescalation of the current situation.

Some discussion ensued about the validity of the intelligence and the accuracy of assessments concerning the DPRK's nuclear capability. Before departing, the Russian players reiterated their desire for consultations and for a relationship with the U.S. characterized by full information-sharing. They expressed interest in obtaining any more information the U.S. might receive in the future about the DPRK's nuclear program and promised to reciprocate with any information they might receive.

Following the Russian players' departure, the USA team continued to discuss how to answer the Russians' concern about the status of the intelligence that the U.S. was acting on. In the process, the team raised further questions, such as: Was the DPRK's nuclear weapons capability imminent and a threat, or was such a program unconfirmed and farther in the future? Is this really a crisis? Can the U.S. do anything really to help the situation? Is there anything the U.S. can do that will not make it worse?

In finalizing its preparations for a joint session with the ROK team, which was about to begin, the USA team decided that the message it would convey to the ROK would be to calm down and not respond to DPRK provocations. Almost any action taken at this point would serve to fulfill the DPRK's desires (whether for nuclear weapons or for economic and political carrots), the U.S. players reasoned. Hence, they decided that it might be preferable not to do anything specific, by way of offering carrots or brandishing sticks, but, instead, to keep channels of communications with the DPRK open, confirm or correct current impressions of their capabilities, as well as their intentions, and, above all, seek to stabilize the developing situation. In this context, the players struggled with

how to deal with and clarify, in both the U.S. and the ROK, the perception that the ROK is achieving a conventional force superiority, which was reported in the introductory scenario. The USA team agreed that such a perception is not and should not be the case, nor the intent, of either the ROK or the U.S.

Chinese, Japanese, and Russian Teams. Accounts of the individual deliberations of these teams, composed of KIDA and RAND regional specialists, were not recorded. Instead, records were kept of any joint consultations these teams had with the main playing teams (USA, ROK, DPRK). The report above of the U.S. team's deliberations during Move I, for example, includes detailed renditions of what specialists from all three supporting teams (China, Japan, and Russia) had to say on behalf of the countries they were assigned to represent. This reporting pattern will be repeated for subsequent moves below.

ROK-USA Team Consultations

The ROK team began with a presentation on the situation as described in the introductory scenario. To wit: We have a crisis in Korea. We must eliminate the DPRK nuclear threat and nuclear program. We are here to discuss broad policy options, namely, whether to (1) implement military force and other measures that might compel the DPRK to abandon its nuclear program, (2) convince the DPRK to voluntarily abolish this program, or (3) accept (i.e., learn to live with) the nuclear program as it has been reported. The ROK team wants the USA team's views on the current situation, as well as its comments on the foregoing options.

The USA team's responses include the following points: We have discussed the current situation with other regional actors (China, Japan, and Russia). We all want the situation not to be made more tense or threatening than it already is. Intelligence reports should be confirmed more thoroughly before any actions are taken in haste. Let us emphasize that we want the North-South dialogue to continue as a means of resolving the situation. China and Russia have offered to serve as intermediaries with and influencers of the DPRK.

The ROK team observes that different perceptions on the current situation exist between the two teams, and it asks: Is there a crisis or not? The ROK teams wonders aloud if additional information is required to come to agreement with the U.S. on the nature of the situation. The USA team says yes, there is a difference in our respective assessments of the situation, and it recounts the substance of its discussions with the other regional actors (China, Japan, and Russia). It also calls attention to the misperceptions of the ROK's conventional capability (in the absence of U.S. forces) that appear to be embedded in the introductory scenario.

The ROK team responds with a statement of what it intends to communicate and propose at the next North-South meetings, which follow these joint consultations with the USA team. In brief, these proposals will include: continuing IAEA inspections in the DPRK, including challenge inspections; maintaining the North-South dialogue via the ROK's bilateral discussions with the DPRK; and holding joint ROK-DPRK military commission meetings to discuss elimination of any DPRK nuclear weapons and to address all associated nuclear issues.

Both teams then went on to discuss various issues raised in their team deliberations. The USA team emphasized the primacy of North-South talks. In response to a question about DPRK requests for direct talks with the U.S., American players stated that they would communicate directly with the DPRK only to reiterate their support for the North-South dialogue and to reinforce their long-standing position on the nuclear issue. It was an international issue, in the U.S. view, one that should be a matter for the world community to consider.

The ROK team asked about any U.S. plans to make use of the UN Security Council in this situation. The USA team responded that the U.S. must energize the world community to condemn the DPRK if its nuclear program is proven to be as far advanced as indicated in the scenario. The world must come to believe that this is more than a U.S./ROK/DPRK or even a wider regional problem, U.S. players said; indeed, it is a worldwide problem that must be addressed by the full force of the world's community of nations.

ROK players ask: What if the UN cannot be successful? What else can you do? Seek G-7 (the U.S., UK, France, Germany, Italy, Japan, and Canada) economic sanctions? American players respond by paraphrasing their discussions with the Japanese team of the DPRK's relative lack of susceptibility to sanctions. To questions about Russian scientists in the DPRK, USA team members respond by recounting what the Russian team said about sharing intelligence information with the U.S., as well as about Russia's inability to control the movement of its scientists. To questions about Iran and missile/nuclear technology, the Americans responded with expressions of concern that such technology would indeed be spreading to yet another region of the world.

The ROK team then notes that it was time for them to resume the North-South dialogue and meet with their counterparts from the DPRK. Before departing for that meeting, however, the South Korean players feel compelled to point out that the UN appears to be unable to control the DPRK, Russia cannot control its scientists, and Iran cannot be controlled, not at least by the MCTR. Opinion in the ROK about continuing the North-South dialogue is negative because there has been no substantive progress from these talks. The situation is very

frustrating—what action can we take? What can we do? Where do we go from here?

The parting U.S. response synopsized the points made in earlier presentations of the overall U.S. position: Perhaps this is not a crisis; we should go slowly; to make well-founded conclusions and judgments, we must verify current intelligence. If we can provide proof positive of the DPRK's nuclear intentions, U.S. players said, we think that China and others will support appropriate action.

Negotiations Between ROK and DPRK Teams

DPRK Team Statement. We have proposed inspecting your nuclear facilities in exchange for accepting your proposal, back in April, to inspect Yongbyon's nuclear sites. So, through these talks, we hope we can make great progress on the nuclear inspection issue, especially on the determination of facilities to be inspected.

ROK Team Presentation. Before responding to your proposals, we would like to present our positions for today's talk. Since the nuclear-free Korea agreement was signed late in 1991, we have entertained high hopes. Unfortunately, we now feel that relationships between the South and the North are getting worse instead of improving. They are not producing constructive achievements with respect to the Basic Agreement and the Joint Declaration, which were concluded a long time ago.

We believe that you do not want to fulfill the spirit of the declaration. Given this circumstance, tension on the peninsula will not be eased. Rather, the peninsula seems to be going against the general international trend of reduced cold war tensions. You are responsible for this heightened tension. It is so fundamentally important to keep and follow strictly the codes of behavior embedded in the Joint Declaration and the Basic Agreement that this must take first place on the road to peaceful reunification, for which the nation yearns.

However, your recent behavior violates the Joint Declaration. These violations have been identified by various agencies, and now we believe the situation has reached a serious stage. Without resolving this situation, it is obvious that the tension on the Korean peninsula at present will not be reduced and that the reunification issue will not be solved. Moreover, international suspicion directed against your nuclear program is only growing larger; it is not getting smaller.

Now the ball is in your court for taking steps to accept the IAEA's special inspections and starting to unravel this issue. To reduce tension and

international suspicion, you must accept the IAEA's special inspections. South-North bilateral inspections also should help clear up suspicions by establishing an inspection regime at the joint Nuclear Control Committee (NCC).

We have established a Joint Military Committee (JMC) to deal with the reduction of weapons of mass destruction (WMD), including nuclear weapons. It still exists only on paper, because everything is stalemated as a result of your continuing nuclear program. Even though we have met several times since establishing the JMC, one of the most important issues we have yet to resolve, in accordance with the spirit of the times, is arms control—i.e., wiping out WMD, nuclear weapons, and offensive capabilities.

We must hold JMC meetings, therefore, to discuss the destruction of nuclear weapons, a calendar for other arms reductions, and mutual verification methods. You are stalling on all these issues. The cause of this stalemate is your clandestine nuclear program. We can no longer tolerate your delaying tactics.

As mentioned previously, if a South-North joint inspection regime is established in short order at the NCC, and if a genuine discussion of the principles, methods, and other agenda concerns relating to the destruction of WMD is conducted at the JMC, then we will take corresponding steps. If the nuclear issue cannot be resolved, however, and you let time march on in this manner, our firm position is that we cannot put up with this problem remaining unresolved. If you drag the issue on and on, and maintain this adverse situation, the international community also might take actions against you. If you do not accept the IAEA's special inspections, therefore, we warn you now that serious measures will soon follow.

DPRK Team Presentation. We have reemphasized our willingness to promote a peaceful resolution of the Korean unification question, as well as to maintain the South-North Korean relationship peacefully. You, however, with the U.S., resumed Team Spirit 93—a joint exercise to practice offensive attacks against us—to threaten our country, and there is still no clear announcement on the cancellation of Team Spirit 94.

Team Spirit is nothing but a nuclear offensive military exercise. The accelerating factor of military tension on the Korean peninsula is the continuation of Team Spirit exercises. In these exercises, you have conducted nuclear-attack training with the U.S.

From our point of view, therefore, the fundamental cause of tension on the Korean peninsula is the offensive nuclear exercises that you are continuing to conduct. To dismantle this kind of threat, we have already signed the Joint

Declaration. As you know, when you canceled Team Spirit 92, we concluded the IAEA nuclear safeguards agreement without hesitation, and our country has been inspected on six occasions since then in good faith. Nevertheless, you have delayed the conclusion of the subagreement to the Joint Declaration, quibbling over whether it is necessary, and you have resumed Team Spirit.

In light of all our sincere efforts, it is clear that you are the ones who shun solution of the nuclear suspicion issue, not us. It is not us but you who have violated the spirit of peaceful coexistence. You destroyed our effort to resolve the nuclear situation on the peninsula.

On IAEA inspection, as you know, we allowed ad-hoc inspections as a way of initiating regular inspections, but the IAEA requested special inspections of so-called "suspicious" facilities. This constitutes an obvious violation of our sovereignty, so we announced our withdrawal from the NPT and declared explicitly that we could not accept such inspections.

Even though we want to resolve this issue through peaceful means, and to that end have already rejoined the NPT, our firm position is, as declared before, that we will adhere faithfully only to the IAEA's regular inspection regime. We stand ready to accept regular inspections by the IAEA. For this purpose, we have designated the relevant sites to be inspected by the IAEA.

Any agreement that we create here and now, or afterwards, must be in accordance with this position. We reentered the NPT in order to observe its spirit. We are not interested in developing nuclear weapons, and we do not have the capability to do so. However, the vicious demand for inspecting all of our military bases will never be allowed. We cannot accept special inspections under pressure, because they are nothing more than a demand to see our military facilities.

You accuse us of violating the nuclear-free Korea agreement, but in truth you are the guilty party. Your side should be blamed, in fact, for blocking implementation of the Joint Declaration. Article 4 of the declaration says: "The South and the North will implement inspections of installations selected by the other side and agreed upon by both sides, in a manner and with procedures to be specified by the South-North Joint NCC." In this context, your request for special inspections is clearly contradictory to this article, so we cannot accept them.

Despite such contradictions, we suggested making a more proactive agreement for inspection procedures to expedite creation of the "Nonnuclear Peninsula." We will show you how genuine our intent is through the early implementation of trial inspections via the NCC. As we mentioned in recent talks, all the facilities at

Yongbyon, as well as facilities reported to the IAEA, will be open to you in exchange for the trial inspection of your nuclear facilities by our teams. We are still expecting you to reply sincerely to this proposal.

Again, as we have declared many times before, we have no intention of and no capability for producing nuclear weapons. We feel heartbroken over the current stalemate in the North-South talks and the recent increase in lost opportunities for constructive North-South exchanges and cooperation—just because of this issue.

We are interested in social and cultural exchanges with you for humanitarian reasons. You have constantly requested resolution of humanitarian issues as an immediate need. We have also agreed that these issues are a priority, and now we intend to put forward a proactive suggestion. If your intentions on North-South normalization and on separated families are sincere, you will have no excuse for rejecting our suggestions. To break through the stalemate caused by the nuclear issue, therefore, we suggest the following:

1. To solve the separated families issue, we propose to establish a meeting place at Panmunjom, or somewhere else to be agreed upon, and allow separated families to meet there regularly.
2. Let us resume exchanges of hometown visiting groups. To the extent that exchanges of hometown visiting groups can build mutual confidence and alleviate the pains of separated families, we propose proactively to exchange these groups twice a year, at the Lunar New Year and Chusok (the Harvest Moon Day), with each group consisting of somewhere around 500 members.

We also have something to propose proactively for conventional arms control. You have claimed that our surprise attack capability is the main variable in promoting tension-reduction for Korea. If you believe this, why not pursue conventional arms reductions more actively? There should be no reason why you cannot respond positively to this arms control suggestion. Therefore, we propose to activate the JMC as soon as possible for promoting discussions on conventional arms control.

As you know, we proposed a specific arms reduction calendar at the first North-South talks, held at Seoul in September 1990. At that time, you presented a certain modicum of abstract counterproposals, but no detailed ones thereafter. In other words, you have responded only with abstractions without showing any signs of sincerity. This time, we anticipate sincere proposals from you on these issues. Furthermore, we also want positive discussions on reciprocal economic exchanges and cooperation.

To boil down our position: To answer the long-cherished desire of the Korean people and make productive progress in the North-South relationship, you should not stymie the success of these talks with groundless excuses based on our nuclear program, which we have clearly emphasized involves "no-intention, no-capability" of developing nuclear weapons. Instead, we recommend that you be sincere once again about more pressing humanitarian issues and, for the reduction of military tensions, about conventional arms control. We are only interested in a good future for the two Koreas.

ROK Team Response. One thing we still cannot understand is your attitude toward Team Spirit. We have always said to your side that there is no need for you to keep harping on Team Spirit. This is an allied force issue between the ROK and the U.S. When the need arises, it can be abolished overnight without your shrill, unfounded cries. Today, you castigated it again as a nuclear and offensive exercise, instead of the annual defensive exercise that it is. Every year we invite you to observe the exercise, but you refuse.

There is no use trying to solve problems if you continue backbiting over Team Spirit without responding to our repeated invitations to observe the exercise. Furthermore, we have already agreed under the Basic Agreement that the JMC shall discuss and carry out steps to notify and control military exercises mutually. In this context, our position is that the Team Spirit issue may be positively resolved through the JMC.

No matter how hard we try, we cannot understand your behavior in still clinging to the Team Spirit issue at a time when you are rejoining the NPT after withdrawing from it over this issue. The IAEA's demand for special inspections has been rejected, and you argue that only regular inspections will be accepted. From your behavior alone, there is no other way to construe things except to conclude, first, that you are running your nuclear facilities secretly with the intention of developing weapons. Your (temporary) withdrawal from the NPT, and refusal to accept the IAEA's special inspections, reveals your intention to produce nuclear weapons at an early date.

Secondly, you err in construing Article 4 of the Joint Declaration the way you do. We admit this article clearly says that the installations inspected shall be selected by the other side and agreed upon by both sides. The Spirit of Agreement, however, does not excuse the avoidance of inspections but, rather, encourages the clearing up of mutual suspicions. The fundamental spirit behind Article 4, in fact, is to eliminate suspicion through mutual inspection. So, when you use this article arbitrarily for the benefit of your position and, thus, for evading inspections—it means that you are making a big mistake.

Thirdly, on your declaration of "no-intention, no-capability," this is just the kind of matter that you must certify for us and for the international community through South-North mutual inspections and the IAEA's special inspections. To prove that you have neither the intention nor the capability to develop nuclear weapons, in other words, you must accept the IAEA's special inspections. It is as simple as that! If the issues and concerns raised for us up to now in this context were resolved, we think that all of your concerns, including those about the Team Spirit issue, might be alleviated without difficulty.

Let us talk further about making breakthroughs in the stalemated South-North talks. First of all, we fully agree with your proposals that involve establishing a meeting place at Panmunjom or somewhere else and exchanging groups visiting hometowns for humanitarian purposes.

You must acknowledge our humanitarian good will as well, especially when we sent a North Korean nationalist, Lee In-Mo, back to your side unilaterally with no strings attached. Nevertheless, despite all of our good will in this case, you have taken advantage of Lee In-Mo's return, after his spending 30 years in jail as a North Korean spy, in order to criticize and vilify us. You have used this sign of our sincerity in implementing humanitarian exchanges as a tool for your own propaganda and agitation purposes. Such deplorable treatment by you is most unacceptable and regrettable, we feel, and we want you to correct your attitude. If you really want progress, you might as well stop this vilification and explain to your people that our good will is responsible for expediting this kind of humanitarian measure.

You also proposed that the JMC should be convened as soon as possible to discuss conventional arms control. We agree with you in principle. Because an essential part of the JMC's function is to establish CBMs and implement phased arms reductions, we hope that this committee can discuss concrete measures for the disposal of nuclear, chemical, and mass destruction weapons.

As you know, the world community is now devoting itself not only to preventing the proliferation but also to the dismantling of weapons of mass destruction. If we can agree on this objective and take a step toward dismantlement of WMDs through the talks at the JMC, we would be appreciated by the world community. We have a strong belief that the Team Spirit issue, as well as South-North economic exchanges and cooperation, will be aggressively pursued and settled, once the nuclear and WMD issues have been resolved smoothly through JMC talks on arms reduction.

But we need to take action on this, not simply talk about it. We expect more serious deliberation by you and more practical, honest participation in joint

discussions. We need such seriousness and participation in order to address the tension between the two Koreas, the mutual distrust surrounding the nuclear issue, and the current stalemate in developing the South-North normalization process further.

In conclusion, we propose activating the NCC for creating the South-North joint inspection procedures and activating the JMC for discussion of arms reductions, as well as WMD issues. We also propose the resumption of meetings of Red Cross members for humanitarian activities and other action-level contacts for addressing South-North issues right away.

DPRK Team Response. We have listened to your proposals, and they have reminded us of an old saying: "The thief accuses the house owner of being a thief." Team Spirit exercises are a case in point. Your remark—"Why do you continue crying over them without coming and seeing any Team Spirit exercises?"—is an outright example of a statement "being an instance of the evildoer's audacity." We have been waiting for a sincere presentation from you for building confidence between the North and the South. The permanent cancellation of the Team Spirit exercises is the first priority of any CBMs.

Even though your side continues to argue that "Team Spirit is an issue involving an agreement between the ROK and the USA," isn't it an undeniable truth that you do not have the operative control of your own forces? This is a joint U.S.-South Korean exercise, which means that you do not even exercise your own sovereignty over your own forces. Moreover, your remark that Team Spirit is a defensive exercise clearly demonstrates how ignorant you are of military affairs. How you can tell a defensive exercise from an offensive one is a big mystery to us. It makes matters a lot more simple if you just quit conducting any Team Spirit exercise, rather than crying out "come and see it."

Since we had already promised each other that the North and the South should consult mutually on the issue of tension reduction on the Korean peninsula, we cannot understand the reason why you would invite a third power, the U.S., into our problem-solving affairs. Why should North-South relations be handled by the U.S.? Why rely on the U.S.?

You have reiterated your nuclear suspicions, but these are fabricated by you, and they are unfounded. We have already allowed the IAEA's ad-hoc (regular) inspections in good faith and followed the IAEA's instructions faithfully, and we are now prepared to receive regular inspections (again). Nevertheless, you remain unsatisfied with this genuine opening of our nuclear facilities, and you have requested special inspections.

This request comes from the vicious animosity of great powers, especially that of the U.S. The IAEA's demand for challenge inspections is in fact a case of encroachment against us by the G-5 (the U.S., UK, France, Russia, and China), which is pulling the strings at the IAEA. As you know, the NPT itself is an unscrupulous product of the nuclear powers, is it not? Despite the injustice of its origins, we not only joined the NPT but also concluded the full-scope nuclear safeguards agreement in hopes of contributing to world peace. We opened all of our nuclear facilities and allowed IAEA ad-hoc inspections six times. But now they want challenge inspections of our military bases. Is this not a violation of our sovereignty?

We also announced our position on the matter of the North-South joint inspections. In April, during the North-South Prime Ministers' meeting, we proposed letting your inspectors visit the nuclear facilities at Yongbyon with the only reciprocal condition being that the North conduct similar inspections in the South. As you know, it is necessary to inspect nuclear facilities to check whether the program that is supposed to be in progress is actually going on or not. Accordingly, we opened all of our nuclear facilities to the IAEA and proposed letting you inspect them as well.

Thus, we have proposed in our opening presentation—one more time—to conduct trial inspections and adopt inspection procedures through the NCC. You have requested a "pilot" inspection of military facilities in both the North and the South. We do not know why you demand an inspection of military facilities, since they are not used for nuclear development. Nevertheless, the so-called suspicious sites, which we have already declared to be military bases, might be inspected as a result of the outcome of arms reduction talks, and we can discuss this matter at the joint military meetings.

At the first stage of our talks here, we put forward a highly constructive proposal on the humanitarian issue, which suggested some very fundamental things. Alas, you are now evading a clear answer to our proposal and responding with diversionary issues. Your action in sending Lee In-Mo to the North is of course a significant matter when it comes to humanitarianism. When we checked his health condition, however, we found proof that demonstrated the atrocity of your prison system and its conditions, which have been bearing down upon him for 34 years. Our clinic reported that he had chronic bronchial pneumonia and minor lung cancer. We have our doubts, therefore, about the truth of your intentions. You sent him back because he was dying.

Furthermore, we know that your jails hold many prisoners of conscience. You detain numbers of other North Korean nationalists who are called "unconverted

long-term prisoners." You must release these people at once. If you really want to promote humanitarian issues, you should free them and let them go home.

We welcome your positive response to our proposal, which says that conventional arms control issues as well as the WMD issue should be resolved in short order. But when you link the conventional arms control issue with suspicious nuclear sites, and thus put a damper on all our negotiations, we think you should bear full responsibility for breaking off the talks. We can start with conventional arms reduction issues first, and then move on to the nuclear issue.

We accept that there are different viewpoints between us. So we adopted a position in favor of talking about and resolving the issues that can be agreed upon, and then discussing the more difficult issues, such as suspicious nuclear sites, over time. We appreciate that you agree with our opinions on the separated families issue, conventional arms control, trial nuclear inspections, and activation of the NCC and JMC. Obviously, all of the accumulated issues between us cannot be solved at one time.

Once again, we would like to say how undesirable it is that you are using "suspicious sites" as an excuse for delaying resolution of the immediate issues between the North and the South, such as humanitarian, arms control, and mutually beneficial economic exchange and cooperation issues.

In conclusion, we hope you will stick to the principle that the accumulated issues between North and South should be solved by the North and the South. Fundamentally, the Korean question must be resolved between us. In listening to your remarks, we know that there are many issues that we can agree upon and implement. Thus, we have proposed clearing up nuclear suspicions through trial inspections, addressing the issue of separated families by having family members meet, and solving arms control issues step by step, beginning with the easiest ones first.

ROK Team Response. Thank you for your remarks. We think you should recall the October 1992 letter of our Prime Minister, who said if the nuclear issue is resolved, Team Spirit would be stopped forever.

We recommend that you put a stop to making unreasonable claims and complaining repeatedly that you are the only nation asked to receive challenge inspections. Moreover, you lament the partiality of the IAEA and refuse to participate in it. On this matter, you have no right to refuse, and you should apologize for your lack of participation.

You insisted on the release of "long-term prisoners." But you have never released your prisoners in ways comparable to our release of Lee In-Mo. We at least released one person. We expect a positive response from you.

Your position that the nuclear issue might be solved over time is unacceptable to us and also to the world community. To solve this issue proactively, we will restate our position once more as follows: You must allow the IAEA's challenge inspections without attaching strings, and both the inspection of military bases and the issue of Team Spirit cancellation, which are associated with South-North joint inspections, should be discussed through the JMC.

DPRK Team Response. We heard your remarks. Your capitalist society, having class struggles as it does, can generate long-term prisoners, like a patriot such as Lee In-Mo, but the DPRK—the worker's paradise—has never had such a political prisoner.

Move II

Highlights

Following Move I's hypothetical excursion into the future, Move II brought players back to the present—specifically to April 8, 1993, in Seoul. In light of their experiences from just having dealt with potential future developments flowing from current security issues, the players were now asked how they would deal in the present with some of those same issues. This reversal of time sequencing led to some confusion, but all players appeared to make appropriate adjustments as the move progressed.

A key highlight of this move was the play of the DPRK team. The North Korean players decided to watch carefully how the ROK, U.S., Japan, and the UN would respond to North Korean nuclear developments. If any of them were to act decisively by pursuing international sanctions and withholding economic incentives in the face of DPRK recalcitrance over the nuclear issue, the team agreed to begin negotiating that issue with the U.S. and its allies in a face-saving way while trying to gain as many concessions from them as possible.

No one on the DPRK team insisted on holding onto North Korean development of nuclear weapons to the bitter end, in absolute defiance of sanctions. North Korea's economy, players believed, really would collapse under these circumstances. Hence, the DPRK team adopted a position in which nuclear issues were negotiable for a price, especially in the face of ever-mounting international pressure, although players calculated that the better course of wisdom was not to announce this position but to wait and see how the international situation would develop and what the U.S. and its allies would offer.

The DPRK team arrived at this position in Move II following a turning point in its deliberations that came during a meeting with the Chinese team. This meeting constituted another highlight of the move. In the meeting, Chinese players informed DPRK team members that North Korea could not hope to avoid international sanctions forever and that China might not be able to stand by the DPRK in the end if it continued to avoid resolution of the nuclear issue.

On hearing that, the North Korean team decided to extract as many concessions from the U.S. and others as possible before the current situation unfolded in a direction completely unfavorable to the DPRK's interests. The team assumed that ultimate disaster loomed in international economic sanctions, especially if these were added to the already crippled DPRK economy, and that even the Chinese might be forced to comply with them in the end. The players began to

seek direct talks with the U.S. as the least they could do under the circumstances to hold impending disaster at bay.

Although the DPRK team presented seven preconditions for discussion of the nuclear issue with the U.S. and its allies, the players did not really consider these conditions prerequisites. Their minimum condition for changing their behavior was actually economic assistance pursuant to the establishment of diplomatic relations with the U.S. The North Korean players believed that the DPRK could not accept IAEA special inspections because of their humiliating nature (in terms of sovereignty) and the adverse domestic political repercussions (of having reversed a decision previously made). They decided that the two suspected nuclear facilities at Yongbyon and their extracted plutonium could be opened to a combined ROK-U.S. inspection team, either in the name of a "trial" inspection of military facilities or through existing agreements on ROK-DPRK mutual inspection of nuclear facilities.

The ROK and U.S. teams consulted together on this DPRK offer, weighed the pros and cons, and decided to accept it. In ad hoc, extended negotiations with North Korean players, the ROK team even pursued further details of this potential solution to the nuclear problem well beyond the planned stopping point for Move II. Although U.S. and South Korean players considered the need for more comprehensive (not just nuclear) arms control during this move, the DPRK team did not see the necessity. North Korean players thought the DPRK would want to maintain an edge over the South in conventional arms to be able to exploit potential military opportunities in the future. They were not interested in arms control simply to save military expenditures, nor did they think such savings would be sizable, given the basic costs required in any event to maintain and operate military forces at some minimum level. The DPRK team wanted to resolve only the nuclear issue, since it wanted to avoid international sanctions at all costs.

Introductory Scenario

The paragraphs below are quoted from the game instructions.

This move takes place in the present, with current events providing the basic setting for relationships between North and South Korea, as well as their relationships with neighbors and other powers. From Move I, we know that if current developments in the DPRK continue as feared, they are likely to produce a nuclear weapons capability for the North Koreans by 1995.

DPRK strategy up to this point could have been a hedging one. Such a strategy would have preserved the option of developing nuclear weapons

and their means of delivery but would also have deferred embracing that option as a definite, irreversible, no-holds-barred policy objective. The DPRK would have maintained this hedging strategy and kept its policy options open not only because this helped defuse some of the nonproliferation pressures directed against the North but also because such a strategy helped maximize North Korean possibilities for making “deals” and working out potentially more advantageous alternatives with other interested parties (e.g., the ROK, the USA, and Japan). Alternatively, the DPRK could have been pursuing a “cat-and-mouse” strategy, with the fateful decision to “go nuclear” having been made long ago and with the consequences of that decision now beginning to unfold.

We know from Move I that, if deal-making with the DPRK on the nuclear issue is ever going to work, now is the time to pursue it in earnest. This could be the last chance. “Tomorrow” may be too late. In light of Move I, therefore, the purpose of Move II is to reexamine present positions in the current standoff over potential nuclear weapons proliferation in the North, and to explore whether any new “deals” to avert that outcome might yet be possible.

Instructions to the Teams

Each team should initiate its discussions in Move II by having its members comment, briefly, on the current situation on the Korean peninsula as it relates to the issue of preventing North Korean nuclear proliferation, promoting nuclear and other forms of arms control, and building the kind of confidence—e.g., would some North-South confidence-building measures be acceptable at this stage; are there any confidence-building measures to be proposed for use immediately?—that might lead (if nothing else) to a more stable set of military relationships, particularly in times of crisis.

Then the team should review and write down, collectively, what its key objectives—military, political, and economic—are in the present circumstances.

When the team has put its own objectives in order—to include, again, an indication of the priority or ranking among the different objectives, as well as key obstacles to achieving them—the team should attempt to write down a similar assessment of the expected objectives of the ROK, of the USA, and of the DPRK.

Once again, as in Move I, a negotiating session between the Prime Ministers of North and South Korea is planned, to be preceded by consultations between the ROK and its principal ally, the USA. These meetings will take place later in the move.

In view of the impending negotiation sessions, each team should, as in Move I, also try to specify, for itself

- which policy issues are most likely to arise in or around the negotiations, e.g.,
 - diplomatic
 - military
 - economic
 - domestic political
 - declaratory.
- which of these issues are so important that the team will not compromise on them, and where flexibility may be possible;
- what the expected ROK, USA, and DPRK positions and priorities on each of these issues are likely to be.

The team should also review the arms control issues that follow below, with a view toward whether new answers to any of these questions might create possibilities for positively influencing the DPRK. In other words, the team should ask itself whether, among the possible “deals” that might be struck with North Korea, a new approach to arms control—for conventional as well as nuclear weapons and forces—would provide an inducement, or form part of a package of inducements, for gaining DPRK cooperation.

Summarized and adapted from the KIDA paper on this subject, the arms control issues in question are

- whether to link nuclear inspections to conventional arms control negotiations
- how to respond to an all-out DPRK push for a nuclear weapons program
- whether to link confidence-building measures to arms reduction talks
- how to determine the components of military parity
- whether and how to establish phased arms reduction methods
- what should be the target of reductions, personnel or armaments or both
- whether to negotiate any limited deployment zones
- when and how to implement any limited deployment zones
- what kinds of verification means to employ
- who should participate in any arms control inspection agencies
- which other confidence-building and arms reduction measures to include.

When the team has settled on its list of key objectives and associated policy issues, the players should summarize their group’s position to that point. If a consensus cannot be reached on any position, the team should vote on the options and record the vote.

On the basis of their summary of accepted positions, team members should write down, separately, talking points for presentation of the team's negotiating position to the other teams.

At any time it feels the need to do so, a playing team will be permitted—provided it goes through the Control team—to initiate direct diplomatic communications with the ROK, USA, or DPRK, as well as with teams representing the other regional powers.

Team Deliberations

DPRK Team. On April 7, 1993, the day before these deliberations took place, North Korea's Premier, Kang Song-san, announced a "10-Point Program for Grand National Unity," originated by Kim Il Sung himself. The announcement of this program was made at the fifth session of the ninth Supreme People's Assembly on April 7. It was reported by the North Korean Broadcasting Station on the same day.

The 10-point program emphasizes the importance of, and urgent need for, national unity. To this end, it sets out four tasks to be undertaken immediately:

1. withdrawal of U.S. forces from Korea
2. elimination of the U.S. nuclear umbrella from the Korean peninsula
3. permanent suspension of Team Spirit
4. no more Korean reliance on foreign powers.

The DPRK team's deliberations concentrated on this program, whose fundamental overt message is that the Korean unification questions must be resolved by Koreans. One implication of this message is that the continuing nuclear issue has to be dealt with between Pyongyang and Seoul as well, although the discussion below calls that implication into question. With regard to the issue of withdrawing from or rejoining the NPT, North Korea decided to throw out hints to the world in the 10-point program that it might return to the NPT, but the principle of refusing to accept special challenge inspections remained firm.

The team began its more detailed discussions by itself reaffirming both North Korea's desire and its need to unify Korea on DPRK terms, as well as to preserve the current rulers and regime in the North. Hence, some players contended, it would be undesirable for nuclear issues to induce international sanctions. We have to develop our nuclear policy in a way that helps our unification policy, they argued. Moreover, they suggested focusing primarily on the South-North

Korean dialogue and considering how to develop it in ways most promising for the North's unification policy. In this regard team members recalled with approval their decision in Move I to attempt trial inspections between the two Koreas as a way of resolving the nuclear issue, to increase economic cooperation between the South and the North, and to improve the DPRK's relationships with Japan and the U.S.

Other players began to suggest, however, that the DPRK needed more flexibility in the current situation. To avoid international sanctions, they argued, the North would have to think of more active ways to resolve the nuclear problem than the team had considered before. Furthermore, unless that problem was resolved, there would be no North-South dialogue, no new diplomatic ties (e.g., to the U.S.), nor any economic benefits from South Korea.

Clearly, the key question for this move was going to be how the DPRK should respond to the potentially devastating external threats aroused by its current position, which involves withdrawal from the NPT but, in particular, from the IAEA inspection regime. For openers, the Chair proposed the following: In exchange for better diplomatic relations with Japan and the U.S., the DPRK would rejoin the NPT and accept regular inspections from the IAEA, but not special challenge inspection; mutual South-North inspections could replace IAEA challenge inspection if by accepting these mutual inspections the North were to gain more concessions from South Korea.

Such concessions might include the following DPRK goals, the Chair continued:

1. replacing the current armistice on the Korean peninsula with a peace treaty and dismantling the UN Command
2. phased withdrawal of U.S. Forces Korea (USFK)
3. establishment of a nuclear free zone on the peninsula
4. inhibiting ROK-U.S. military training
5. guaranteeing North Korea against any nuclear attacks
6. enhancing economic ties and trade with North Korea
7. establishment of normalized diplomatic relations with Japan and the U.S. as soon as possible once the preceding concessions have been made.

If any of the above conditions were met, the Chair suggested, the DPRK might make concessions on nuclear issues. Then the Chair asked for reactions to these proposals.

Players debated whether to accept regular inspections versus special inspections; whether to come back into the NPT at all, given that it supposedly permitted the U.S. and its "lackeys" to violate North Korea's sovereignty; whether to announce publicly a willingness to rejoin the NPT if challenge inspection demands are withdrawn, as a way of detaching South Korea from the U.S.; or whether to condition any return to the NPT on normalization of relations with the U.S. and Japan, as opposed to the withdrawal of challenge inspections.

Some players maintained that IAEA challenge inspection of North Korea is by far the most dangerous threat. That is why the DPRK withdrew from the NPT in the first place, they said, and that is why the regime considers any other threat, such as international sanctions via the UN, unlikely to be more severe than challenge inspection. In no circumstances could they envisage anything approximating U.S. inspection of DPRK military bases, these players argued, since our real enemy is the U.S.

The Chair countered these arguments, which tended to favor the current policy without any changes, by wondering whether that policy was the right one under the circumstances. As we know, the Chair reminded other team players, we cannot support our regime without solving our economic problems. We need Chinese help to protect us against international sanctions. We need to resolve our economic problems by establishing relationships with the U.S. and Japan. So we should take a more flexible response toward the NTP.

Other players pointed to North Korea's decision to join the UN in 1991 as evidence of the regime's ability to change its behavior and its policy suddenly when key interests are at stake. Because of DPRK entry into the UN, they maintained, we now have another channel for establishing a relationship with the U.S. We should use this channel, they said, as a way not only to delay sanctions but also to open a dialogue. The main point is to protect the DPRK from IAEA challenge inspection. North Korea needs normalization with the U.S. to guard against such inspections. In addition, it needs to show flexibility to the U.S. on Team Spirit exercises and USFK issues.

Some players observed that the regime's 10-point plan for unification, adopted by North Korea's Supreme Peoples' Assembly on April 7, had already moved in this direction. With its emphasis on four conditions amounting to U.S. withdrawal from peninsular security affairs, the plan implies that the regime's leadership, at its highest levels, intends to focus DPRK diplomatic efforts on the U.S., not the ROK. The key to resolving the nuclear issue rests with the U.S., and North Korea will try to find the right channel for negotiation of that issue with the U.S. The DPRK team should, therefore, prioritize its policies accordingly.

Following this internal debate, the DPRK team decided to promote an active dialogue with the U.S. team because, they were persuaded, the U.S. holds the key to resolving the nuclear issue. North Korean players would try to convince U.S. players that the main reason for the DPRK's withdrawal from the NPT was the request for IAEA special inspections. But how to get the Americans' attention—how to get a dialogue started?

One player suggested linking nuclear inspection with conventional arms control. We cannot accept challenge inspections of our military bases by the IAEA, the player noted, but we can negotiate this problem in the context of conventional arms control talks and, thus, link the nuclear issue with conventional force issues. The Chair pointed out, however, that the U.S. uses the term "linkage" to convey an unwillingness to negotiate conventional arms control prior to resolving the nuclear problem. The U.S. position is that nuclear issues must be resolved, otherwise nothing will be resolved. Again, the question is how to handle such issues without hurting North Korean sovereignty?

In the end, DPRK players agreed upon a proposal to contact the U.S. at a high (e.g., Secretary of State) level and attempt to ensure the U.S. that the North will dispel their suspicions over nuclear issues. The goal, they decided, was to establish diplomatic relations with the U.S. and to acquire economic assistance. Hence, although the North Koreans would hit continuously in talks with the U.S. on the four conditions laid down in their 10-point plan of April 7, they would also convey an understanding, as well as their tacit approval, of U.S. unwillingness to deal at this moment with the peace treaty issue or the withdrawal of USFK troops.

Regarding the latter, the DPRK might say that, even though it could not live with a continued UN presence and hoped that the U.S. would withdraw in two or three years, it could live with five years. The USFK withdrawal schedule is known and is published already; why, then, does the DPRK need to ask for withdrawal of USFK forces again? Since the second phase of USFK withdrawal has been suspended because of the North Korea nuclear threat, the DPRK should simply ask the U.S. to withdraw earlier (in view of the North's reassurances about nuclear issues). Since the U.S. announcement in 1978 of negative security assurances (NSA)—a pledge against nuclear attacks on certain nonnuclear states—was so ambiguous, the DPRK should tell the U.S. to make it clearer in the Korean case. Since the U.S. has already withdrawn land-based nuclear weapons, the North Koreans should ask that air-based weapons be included in the process.

Denuclearization and NSA—in that order, the Chair concluded—would be the North's main security goals for the peninsula. Apart from that, North Korea

would be willing to accept U.S. demands for the return of remains of those missing in action during the Korean War, an end to slander, a lessening of tension with the South, and even (as indicated above) an end to the demand for immediate withdrawal of U.S. forces from the South. These acceptances, it was hoped, would lead to normalization of relations, with a target date of January 1, 1994.

At the same time, the North Korean team decided to ask for international economic aid. We need at least \$50 billion in cash by 1994, players said; the cash payment is compensation for resolving the nuclear issue. They planned to assess this amount approximately as follows: \$20 billion from Japan (the target was \$10 billion, but since Japan is likely to be tightfisted in this regard, players believed, they had better start with a larger request); \$10 billion from the U.S.; \$1 billion from the International Bank for Reconstruction and Development every year for the next 10 years; \$5 billion from the Asian Development Bank and, finally, \$20 billion from Seoul.

With regard to other arms control issues listed in the instructions for Move II, the DPRK decided to stick with its 1990 proposal, but to agree now to undertake CBMs simultaneously with weapons reductions. Players noted that the North had not asked South Korea for an exchange of military information (one obvious CBM), but such proposals could now be part of negotiations in which the DPRK would actually be willing to engage. In response to likely ROK requests for LDZs, North Korea could suggest one in which no more than five divisions were permitted within 50 kilometers of the DMZ.

As for specific steps toward arms reduction, the DPRK players decided to stick with the proposal made at the first Prime Ministers' meeting, namely, simultaneous reductions amounting to 30 percent of ROK and DPRK force levels, carried out by both sides over a two-year period. Similarly balanced reductions would follow in the next two years. USFK would not be included, because American forces would be withdrawing from the Korean peninsula anyway. Nevertheless, the DPRK players expected this proposal to be rejected by Seoul, because it is less advantageous for the South, which is ahead of the North in weapons quality but lags in quantity. North Korea would also emphasize personnel over armament reductions, which would likewise adversely affect the South.

Verification provisions of any arms control agreement would be mutual, but North Korea should be permitted to inspect both South Korean and U.S. facilities. The DPRK could accept on-site inspections but not full-time, resident inspection. If South Korea were to insist on this, the North could counter with "open-sky"

inspections instead. We can accept open skies, DPRK team members said, because North Korea does not have national technical means of verification anyway and aircraft permitted under the Open Skies Treaty does not come close enough to the populace to do any harm.

In summing up the DPRK team's deliberations, the Chair said that, regarding the nuclear issue, the U.S. is the focal point. That is why the team decided to contact the U.S., which it would now do, and attempt to start a dialogue that would lead, it was hoped, to diplomatic recognition. (A report of this DPRK team-USA team meeting appears below.) Regular inspection of nuclear sites by the IAEA was acceptable, but not special inspections. Reciprocal bilateral inspections with South Korea were also acceptable. All these matters would be discussed between and among the DPRK, the U.S., and South Korea. The goal was to establish relations with Japan and the U.S. before January 1994.

Regarding the four conditions in the 10-point plan mentioned earlier, they can be reduced to two: Termination of the Team Spirit exercise and fair implementation of IAEA regulations. The DPRK will continue to request that IAEA rules be applied fairly to every nation and to ask that it be treated the same as Israel or South Africa (whose nuclear weapons programs have not made them international pariahs). Thus will the DPRK team discuss its 10-point plan with the USA team. It will also discuss the NPT issues with China.

If we stick with our current delaying tactics for preventing U.S. and ROK sanctions, the Chair observed, the U.S. will have no solution to the nuclear issue other than coming to us and paying us a ransom to resolve it. The DPRK team then began to hold discussions with others—with the Russian team, which had requested talks; with the Chinese team, which responded to the DPRK's call for consultations; and, indirectly, with the USA team, which responded to the North's efforts to engage it by sending only one of its members to hear what the DPRK team had to say.

DPRK-Russia Team Consultations. Russia requested this meeting. The gist of the Russian message was: We basically understand your stance and sympathize with you. It is a difficult time for North Korea to negotiate with the U.S. and ROK. The Russian Federation understands North Korea's feelings toward the IAEA. As you indicated, there have been some concerns among us all about whether the IAEA has been fair with you. There was a certain amount of unfair treatment, such as the strong demand for special inspections. We have discussed this matter seriously with South Korea and the U.S. We also will issue a formal statement to the world on this matter.

We would like to raise two points with you. One is that we also believe other regional powers are concerned about security in Northeast Asia. To alleviate tension and unnecessary suspicion on the Korean peninsula, we suggest a summit talk between the two Koreas be held at Vladivostok in the near future. We recommend that you accept IAEA special inspections of the two suspected sites before this summit.

The second point is that nuclear development can be very dangerous. You heard the unhappy news about the Toms nuclear accident in Siberia recently. This is a good lesson for you. Even societies like ours that have long experience with nuclear energy can have accidents like this.

Lastly we would like to suggest that you invite China to take part in the inspection of your nuclear sites. We have discussed this issue with China, and we trust that China, as an experienced nuclear power, can also understand your society. The Chinese team would be under IAEA supervision.

The DPRK team replied: We sincerely appreciate your support and understanding. We will evaluate your advice carefully and respond later.

DPRK-China Team Consultations. The meeting with China occurred next. This time North Korea stated its position first: We have heard that you discussed with Russia the possibility of participating in nuclear inspections. We have not made up our mind yet with regard to this suggestion.

The Chinese responded: The Russian Federation suggested that idea to us, but we have not evaluated the option yet. We endorse your reentry into the NPT. We fundamentally support a nuclear-free Korea and a permanent peace on the peninsula. We contacted Russia, Japan, and the U.S. to assess the changed environment in the region. All these countries are concerned about your nuclear program. They all want a better relationship with you, but this cannot be achieved until their nuclear suspicions are cleared up.

The broader international atmosphere is the same. Considering the increasing suspicion over your nuclear program, it will be better for you to improve your diplomatic status in the international arena and engage in dialogue with these countries (Russia, Japan, the U.S.) and others as well. We will tell the USA team about the prospects of meetings with you if you are interested. With regard to the Russian suggestion about our role in nuclear inspections, we have not yet agreed to the idea. Inspection is an issue strictly between the two Koreas. We do not want to interfere in a sovereign nation's internal affairs.

DPRK Team-USA Team Representative Meeting. Finally, there was the first meeting of the game between the DPRK team and (a member of) the USA team. The North Korean players communicated their position to the U.S. team, through the representative it had sent to them, by making the following points at the outset of the meeting:

- The armistice agreement should be replaced by a peace treaty.
- The U.S. forces in Korea should withdraw as soon as possible.
- The U.S. must guarantee not to threaten North Korea under any circumstances.
- U.S.-ROK joint military exercises must be permanently suspended.
- Negative security assurances for the DPRK must be guaranteed.
- Diplomatic relations should be established soon.

As planned during their earlier deliberations, the North Korean team also emphasized that, although the two governments have different opinions on these issues, their differences can be resolved through sincere, direct, high-level negotiations in the future. The nuclear inspection issue can also be discussed in such negotiations. The only thing not negotiable are IAEA special inspections, which will not be permitted under any circumstances. North-South mutual inspections, however, can be negotiated and used to resolve any remaining nuclear suspicions.

ROK Team. South Korean players contributed a variety of perspectives to Move II's back-to-the-present scenario. These contributions are presented below in the order that statements were made during the team's deliberations.

We should recognize, one player said in opening the discussion, that North Korea wants direct talks with the U.S. This is one result of its withdrawal from the NPT. The IAEA is reporting such information to the UN. Yes, another player observed, but China is not going to agree on any resolution of the IAEA nuclear inspection issue that includes UN sanctions.

There has been no progress in the South-North Korean relationship following the eighth round of high-level talks, the first player noted. North Korea has refused all kinds of South-North talks since that round while demanding stoppage of the 1993 Team Spirit exercise. In the eighth high-level talks, three protocols on reconciliation, nonaggression, and exchanges and cooperation between the South and the North were agreed upon and four joint commissions—i.e., the Joint Military Commission, Joint Nuclear Control Commission, Joint Commission for Social and Cultural Exchanges and Cooperation, and Joint Commission for

Economic Exchanges and Cooperation—were established to implement those three protocols.

According to the details of exiting agreements and protocols, South and North Korea should be discussing and carrying out steps of military confidence building and the elimination of weapons of mass destruction, as well as those of phased arms reduction and verification. Agreements on military CBMs look to establishment and operation of military hotlines, exchanges of military personnel and information, and peaceful utilization of the DMZ. Agreements on arms reductions anticipate phased reductions of weapons of mass destruction and attack capabilities. But only the military hotline, out of all the above, has been agreed upon in any detail; for the rest, agreement exists only on the titles of the prospective measures.

Inspection of nuclear facilities has been an obstacle to resolving the nuclear issue—especially, the special inspection of military sites. Other current issues, which remain unresolved, include visits to (former) hometowns; this was agreed upon last year but not fulfilled because of North Korea's delay and excuse strategy, as well as the issue of establishing reunion centers for immediate members of dispersed families, which the North promised would be discussed. In economic cooperation, we South Koreans have visited Nampo, but we have to discuss more fully about how to cooperate economically with the North.

All joint commissions set up to deal with all of these issues have stopped meeting now. Only a channel like the South-North liaison office is still open. Given this situation, and with the issues raised by KIDA (presented above in the Move II instructions) in mind, it would be helpful to set up new goals for the South-North talks.

Because of a lack of time for discussion of all the different issues involved, a third player recommended, it would be better for the ROK team to focus on the key problems involved in this move as soon as possible. At present, the policy goal is to prevent further development of a dangerous situation caused by North Korea's development of nuclear weapons, as well as to make progress in South-North talks.

We have two strategies available for pursuing this goal, the player continued. One is to give the resolution of nuclear issues top priority. In other words, we could try to resolve the nuclear problem using every possible method and consider this a precondition for anything else. The other strategy is to separate the nuclear issue from other issues and try to induce North Korea, via other issues, to concede to us on the nuclear problem.

The second strategy seems better suited to the current situation, the player contended. Even the second strategy has two options: One is to treat the nuclear issue and the other issues equally, and the other is to solve the other issues first and the nuclear issue next. If we use the first strategy in today's situation, the player argued, we will repeat yesterday's situation; hence, we should develop some new tactics to break through the situation. Other players endorsed the need to link the nuclear issue to other problems in order to provide some strategic flexibility in the current circumstances.

The Chair agreed to focus the team's discussions on ways of inducing North Korean concessions on the nuclear issue, and then suggested setting a bottom line, which team members would be unwilling to go below, in making any South Korean concessions to North Korea on the topics discussed. The bottom line simply meant setting a minimum guideline for carrots to be offered to the DPRK. Since the team's goal for the nuclear issue was to make North Korea give up any intention of developing nuclear weapons, the Chair noted, it is very difficult to decide the absolute bottom line.

Other players suggested that the ROK team should focus on the use of carrots in its strategy because North Korea is using the strategy of avoiding being focused. The basic concept of a focused, carrot-rich strategy is that, if the ROK can achieve transparency in North Korea through, for example, visiting hometowns, the South should accept such benefits, even if some disadvantages related to the nuclear issue persist. The Pyongyang government thinks that it does not have to hurry into making detailed agreements regarding military meetings, especially if it wants to maintain its closed political system. The DPRK really wants to solve its economic difficulties first of all. However, because of the hard facts involved in the North's case, players warned, the South should recognize that it is very difficult to have agreements with the North.

In summarizing what had been discussed thus far, the Chair said that there appeared to be agreement on the need to resolve the nuclear problem first; phased arms reductions should be carried out next. To solve the nuclear issue, the Chair continued, we should persuade, induce, and put pressure on North Korea through the UN Security Council, as well as have the U.S. demand progress in South-North talks before the U.S. will agree to negotiate with North Korea while making it clear that any DPRK-U.S. negotiation cannot replace the South-North talks. The U.S. might issue a (NSA) guarantee not to use nuclear weapons against North Korea provided the DPRK would return to the NPT and accept IAEA inspection.

South Korea must be ready to negotiate with North Korea, said the Chair, as long as it is over a humanitarian issue, and to make progress in economic exchanges and cooperation little by little. On inspection issues, the ROK should let a special inspection be conducted first and let military site inspections be discussed in the Joint Nuclear Control Commission (JNCC) later. On the question raised by North Korea of a possible trial inspection, the South should insist that North Korea accept special inspections in principle, then both South and North Korea could accept the North's trial inspection proposal and bring it within the range and definition of an IAEA special inspection. Again, both sides could deal separately with the inspection of military sites in the JNCC.

After other players agreed with this formulation of the team's position, the Chair announced that certain ROK team members were going to hold separate meetings with the USA, China, and Japan teams on how to help the South-North talks and move them along toward useful results. Other issues—e.g., some of those (from the KIDA paper) listed in the instructions for Move II—such as military balance problems, phased arms reduction methods, and LDZ problems need to be discussed not here but in the JNCC, the Chair said. It is necessary to keep negotiating on verification methods, nonenhancement of military capabilities in the DMZ, and problems of ensuring the security of capitals, because North Korea recognizes these problems now. According to the Chair, however, the basis for any and all negotiations mentioned in the ROK teams' deliberations is that North Korea should accept IAEA nuclear inspection. That is, the South would have to let North Korea know that nothing can be achieved without the resolution of nuclear issues.

Another player claimed that the current problem with the North over nuclear issues occurs because the South and its allies are trying to enter North Korea in a variety of ways and the DPRK regime simply does not want to open up. North Korea has already taken inspections six times and, in fact, problems have risen to the surface with the help of such inspections. Therefore, we have to focus not on what North Korea is trying to avoid but on the trial inspection that they offered. How about this idea?

We first suggested a trial inspection last year, was the reply. In negotiations held behind the scene, Hans Blix of the IAEA did not use the word "special" when he sent a telegram to North Korea after its withdrawal from the NPT. In other words, his message was: "Let us enter North Korea and see something first, whatever the inspection is called." The IAEA is also reported to have suggested that, whenever it inspects nuclear facilities, it will not release any information relating to the inspection. Furthermore, Blix said at the UN that the IAEA itself has no authority or capability to sanction North Korea.

In light of this background and recent view of the nuclear issue, the Chair concluded, the ROK team needs to consider the North Koreans' insistence that they have to inspect U.S. military bases in Korea if the DPRK accepts special inspections. Also, the Chair suggested, the team should consider ways to keep up the DPRK's prestige by not using words such as "military facilities," instead of nuclear facilities, and "special inspection."

Report of a Meeting with the USA Team. The ROK team then heard a report from one of its members who had just returned from a separate meeting with the USA team; the Chair had announced earlier that such a meeting would take place. The South Korean player-representative to the USA team said: Let me briefly explain the contents of my negotiations with the U.S. They asked us what our concerns are and what the U.S. can do for the ROK. I said the following things. Our basic policy goal is North Korea's recision of its NPT withdrawal and, simultaneously, a resolution of the nuclear issue by taking a special inspection as well as South-North mutual inspections.

There are two methods for this, the player-representative continued. One belongs to the Korean peninsula and the other to the international area. Of course, the first should be led by Korea and the second, by the U.S. Thus, the U.S. has to use the UN and put pressure on China, the obstacle to UN action. The ROK can play a role to some degree with China, because we have considerable trade with China (about \$8 billion), but the major role should be played by the U.S. The ROK and the U.S. should cooperate to solve problems and address issues requiring cooperation, like the question of future Team Spirit exercises. What the ROK alone should do is focus on the issue of linking the nuclear problem to economic cooperation.

There are two ways to solve the nuclear problem, with sticks or with carrots. One of the sticks is a military action like an air strike. Our position on that is not established yet, but some support exists for including the air strike as an option. Another stick involves economic action, like sanctions, but uncertainty exists about the effectiveness of economic sanctions. Such sanctions will physically and politically affect the North Korean regime to a certain degree, though not seriously, and so we must not neglect this stick. Moreover, there are two types of economic sanctions: after a UN resolution and before a UN resolution. Sanctions prior to any UN resolution can be applied voluntarily by the U.S., Japan, Canada, and Europe. For carrots, it is necessary to review jointly such questions as whether a permanent halting of the Team Spirit exercise should be considered and whether or not to allow U.S.-DPRK high-level talks to take place.

The Chair summed up the current situation and likely intentions of the DPRK as follows: As you can see from the 10 general principles that were announced by the DPRK on April 7, 1993, Kim Il Sung stressed the principles of coexistence and coprosperity, as well as maintenance of the DPRK's political system. If we read between the lines, the North will require South Korea to make a show of self-reliance toward the U.S., such as an announcement of a USFK withdrawal and a halt to all kinds of military exercises with a foreign army.

Then the Chair proposed finalizing the ROK team's position and basing the team's official statement on the following points—to be presented in its next scheduled meetings with the USA and DPRK teams, which were fast approaching: Let our basic goal be to improve South-North relationships and resolve the nuclear matter. Inwardly, we had better link South-North relationships to the nuclear problem and, methodologically, focus on how to go about improving relationships. In terms of details, we need to conciliate and persuade North Korea through a channel that makes use of the UN Security Council, and we need to negotiate on the Team Spirit issue in the JMC following consultations with the U.S.

We do not have to mention "special" inspections, but we can insist on South-North mutual inspections. If North Korea insists that its suspected facilities in Yongbyon are military bases, we will say that we can open our military bases or USFK's for inspection, provided the DPRK will reciprocate, and that we are ready to discuss this proposal in the JMC.

USA Team. The players reconvened, began studying the Move II scenario, and started talking about the current situation as described in the scenario. Their discussion focused initially on U.S. objectives in the region and on the peninsula. Then it moved on to explore questions about U.S. priorities. In the process, the team reviewed the objectives it had defined for Move I:

1. Nonnuclear peninsula
2. No undercutting of the ROK
3. Regional stability
4. Bargaining chips to give the ROK for its negotiations with the DPRK
5. Rewarding good behavior
6. Carrots and sticks.

As the discussion progressed, the group addressed various effects of DPRK weapons development in the region. Why would a weapons program in the DPRK not threaten Japan, team members asked, while a ROK program would?

Japan does not see the DPRK as a potential threat but does see the ROK as a possible adversary in the region, some players observed.

The team then refocused its collective attention on refinement of the objectives listed above. Should the nonnuclear peninsula objective be expanded into a nuclear-free region or zone in the Pacific or in Asia? What about China? It seemed to U.S. players that China's possession of nuclear weapons would make it impossible to achieve such broader nonnuclear objectives.

Objective 2 above is a policy, not an objective, some players claimed, while Objective 3 is a primary objective and should have the highest priority. A discussion followed over whether the possession of nuclear weapons by the DPRK was stabilizing or destabilizing. The answer depends upon from whose perspective you are looking, players concluded. The North Koreans say their weapons serve as a counterbalance to ROK/U.S. conventional capabilities. From their viewpoint, that is logical.

A quick discussion ensued on linkage of the nuclear issue to conventional arms talks and agreements. Drawing on Europe's experience in this regard—i.e., on how the U.S. kept things in very strict categories there and made progress on the issues it could—the team agreed in general that there should be no linkage between resolution of nuclear issues and progress on conventional arms talks.

Players then returned to such questions as: Why does the DPRK have a nuclear program? As a bargaining chip? For blackmail? To counterbalance U.S. and ROK forces? Discussion followed about the possibility that North Korea's ultimate intent is to get U.S. forces off the peninsula. A nuclear program puts the North Koreans in a relatively stronger position with respect to ROK military capabilities, players said, but still keeps them behind economically. In the end, the team came back to points raised earlier and concluded that the most vital intelligence question players would like to have answered is: Why does the DPRK want nuclear weapons? Almost everything else depends on divining that intent—not least, so that the U.S. can effectively plan negotiating strategies and other actions.

Next, team members explored the international aspects of the nuclear issue, especially with regard to mutual North-South inspection of nuclear facilities. Some team members were not necessarily comfortable with only North and South Korea inspecting each other's nuclear facilities. Bilateral inspections should be complementary to international oversight and IAEA inspection of nuclear programs, they contended. Subsequent discussion highlighted the lack of provisions for international reporting of progress in, much less any proceedings of, the JMC established under the Basic Agreement between the two

Koreas. What is to be gained, players asked, even from the ROK's perspective, by having only North-South nuclear inspections that exclude the international (IAEA) community? Nuclear arms control should remain international. The team concluded that it should reaffirm current U.S. policy in this regard: Mutual ROK-DPRK nuclear inspections should be complementary to, not substitutes for, the international efforts and structures of the IAEA, the NPT, etc.

Returning again to its review of U.S. objectives, the team now decided to identify its former number-one, highest-priority objective (a nonnuclear peninsula) more accurately as a subelement of international nonproliferation. Therefore, team members decided to create another, more macro objective entitled nonproliferation and to add it to the list presented above as number seven. They also decided that this macro objective should encompass nonproliferation of nuclear technology, missile technology, weapons of mass destruction, advanced technology weapons, and other related developments.

USA Team-ROK Team Representative Meeting. At this point, the player-representative arrived who had been delegated by the ROK team to meet with the USA team in advance of their scheduled, more formal consultations. This representative started by saying that the ROK team feels it does not have many levers to pull to influence the U.S. As key to the current situation, the South Koreans have identified the problem of finding out what the DPRK really wants out of its nuclear program.

There is also a need to identify potential DPRK vulnerabilities, the South Korean representative observed. The ROK team believes that DPRK leaders must be able to "save face" without continuing the crisis—perhaps by having the ROK and the U.S. cancel Team Spirit, as a way of showing the North that it could get something in the way of concessions from the U.S. The ROK representative said that the South Korean team can envisage a potential change in its previous policy of support for South-North bilaterals—perhaps support for a trilateral structure involving the ROK, the DPRK, and the U.S. should now be offered?

ROK carrots exist on the economic side, the visiting ROK player observed, with future investment possibilities being dangled in front of the DPRK, together with promises of continued progress on current economic or investment issues. Japanese aid could certainly help enlarge this incentive, by growing it into a more international or, at least, a broader regional approach. On the stick side, the main obstacle is China. The ROK players understand the logic of the Chinese to be that they do not want to push the DPRK into a corner, thus producing a hostile reaction from the North. Nevertheless, the South Korean team wonders whether the ROK and the U.S. should wait for a UN effort on economic

sanctions, which China may oppose in the end, or whether they should pursue similar efforts sooner, through a collection of Western nations (e.g., the G-7).

The ROK team believes that economic sanctions can work better than previous experience with them has tended to indicate. For example, oil and food embargoes become more important when consideration is given to the cascading financial and economic effects of such sanctions at different stages of their imposition—not to mention their psychological effect.

Lastly, the visitor said, the ROK team has concluded that it and the U.S. must continue to be prepared militarily. On the nuclear issue, with regard to the DPRK's options for resolving current problems, the ROK team will recommend in the forthcoming team-to-team consultations with the USA team that both countries, as well as the international community, develop a matrix of incentives associated with each possible DPRK behavioral option and prepare themselves to communicate these incentives to the DPRK. In that way, the North Koreans would know what they could get for a particular specified behavior.

The ROK's main objective, the representative affirmed, is to get the DPRK back into the NPT, make it accept IAEA inspections, and have it continue high-level talks. The ROK team recognizes the dual nature of the nuclear issue—it is a problem not only at the level of the Korean peninsula but also on the regional and the international level. Key to solving this problem is an ability to harmonize ROK initiatives with international initiatives; the U.S. should lead these international initiatives. The South Korean team representative closed by stressing how important it is, in the current situation, to counter any perception that the ROK is a U.S. puppet in its dealings on the peninsula.

Following the ROK delegate's departure, the USA team resumed its discussion of why the DPRK had decided to pull out of the NPT, especially at this particular time. To keep from getting caught red-handed?—one player suggested that this is what had prompted the North's current actions. Most team members answered "yes" and then proceeded to ask themselves: Are we too much focused on the NPT issue right now? From the South Korean delegate's presentation, it seemed to many U.S. players that the ROK team was focused primarily on the NPT problem, secondarily on the issue of nuclear inspections, and only then on conventional arms control and associated CBMs, etc.

U.S. team members wondered: What is the ROK's definition of a successful resolution of the current situation and its various problems? North Korea rejoining the NPT? Accepting IAEA special inspections? Accepting North-South inspections? All of these moves combined? Perhaps we should propose arms control talks for "all-comers," players suggested, where anyone can talk about

anything they want to. A brief discussion followed of possible sticks to be brandished at the DPRK, as well as of the U.S. ability to influence China and Iran. The USA team's consensus was that about all the U.S. can do is ask China to talk to the DPRK.

At this point, the USA team received a message from the Russian team regarding its concern over the North Korean nuclear issue. In the same message, the Russian players put forward a proposal for arms control talks among all concerned parties in the region. The U.S. players also received information about a recent radiological accident in Russia, as well as Russia's offer to be forthcoming with information about the accident and any associated risks or threat to other nations. The USA team decided that this communication from the Russian team offered nothing new and required no meeting with or response to the Russian players.

Instead, the U.S. players began to consolidate what they planned to tell the ROK team at their upcoming meeting with those allies. In general, the Americans agreed to say to the South Koreans: calm down; we have the nuclear umbrella in place; and we perceive no new, significant military threat in the current situation. The U.S. can and will work with the UN as much as possible in the international arena, but the U.S. does not expect much because of China.

Furthermore, the issue of direct talks between the U.S. and the DPRK has been raised by the ROK team's reference to trilateral talks between and among the three countries. The USA team's view is that such talks, which would presumably take place outside of current arrangements for three-way communications among the countries, should not be proposed, accepted, or pursued. On the special inspection request of the IAEA, the Americans believe a compromise can be developed—e.g., by asking the IAEA to offer withdrawal of its special inspection request in exchange for North-South inspections—and then the DPRK can rejoin the NPT.

ROK-USA Team Consultations

The consultations began with a ROK statement. Highlights of that statement follow:

ROK Team Positions. We want to use this meeting to identify ways to address the current situation involving DPRK nuclear and other problems.

We have not made much progress in the past with the DPRK; we would like to get your ideas on possible actions to take.

We recognize that linkage exists between the nuclear issue and other arms control talks but also know that we must be flexible in solving current problems.

We see the nuclear issue as a UN-level problem; the UN should help to solve this problem with all possible carrots and sticks available to it.

We recommend that the U.S. try hard in the UN to influence others, especially China, to help resolve the nuclear problem posed by the DPRK.

We urge the establishment of direct talks between the U.S. and the DPRK to help resolve the nuclear issue, but these talks cannot replace the South-North dialogue.

We expect that from direct U.S.-DPRK talks, the DPRK will accept IAEA inspections and mutual South-North inspections in exchange, perhaps, for the permanent cessation of Team Spirit exercises.

We should think more seriously about extending guarantees to the DPRK of nonuse of nuclear weapons in the event of a crisis or war on the peninsula.

We want Japan to pursue the establishment of full diplomatic relations with the DPRK to create a more conducive environment to the resolutions of problems in the region.

We will take the following steps:

1. Resolve issues through improved South-North relations—e.g., through humanitarian measures like unconditional release of communist prisoners in the South
2. Enhance South-North economic relations—move toward more complete cooperation
3. Revise specifications for conducting IAEA inspections
4. Pursue South-North mutual inspections
5. Prepare to open ROK bases and facilities in exchange for DPRK agreement to open its suspicious facilities
6. Discuss reciprocal military base inspections in the JMC
7. Indicate readiness to negotiate CBMs, WMD, etc., in the JMC.

We know that some measures must be taken at the Korean level and others at the international level.

We have talked to the Russians, and they have agreed to play an active role in helping to resolve the nuclear problem. They suggested that China might be able to perform inspections on the suspicious sites.

We have also noted the Russian offer to host arms control talks for all parties in the region. We do not have a settled view on that offer yet, but we have identified a need for the U.S. to bring its influence to bear on China to be helpful in this situation.

In response to the positions taken by the ROK team in its opening statement, the USA team made the points that follow below.

USA Team Positions. The USA team considers the DPRK's withdrawal from the NPT to be a serious and irresponsible act.

We believe that the IAEA's response and actions in the wake of this DPRK withdrawal have been appropriate; we should pursue further actions through the UN.

We noted with great interest your request that the U.S. attempt to influence China to exert pressure on the DPRK. While we do not have great influence with China, we do conduct dialogues, which now focus on issues likely to come before the UN Security Council.

We are not pessimists, but realists. While not being able to confirm it as an absolute fact, most of us believe that the DPRK does have a nuclear weapons capability. It is uncomfortable not to know this for sure, but it is perhaps more uncomfortable not to know why, specifically, they pursued this nuclear capability in the first place.

There is a concern on our part that the DPRK has been consistent in its attempts to talk directly with the U.S.—to the detriment of the ROK's legitimacy as a sovereign state, its international standing on the Korean peninsula, and the right of self-determination for the Korean people.

We are not sure, in any event, whether the U.S. has sufficient leverage over North Korea to ensure that a U.S.-DPRK dialogue would be beneficial. We see direct dialogue as a very serious step, and we believe that U.S.-ROK relations have more to lose than to gain from taking it.

We think our present methods of communicating with the DPRK, through Beijing and the UN, are effective, but we see no positive responses or actions on the DPRK's part.

Team Spirit appears to be a DPRK cloak or excuse for its recent actions regarding the NPT and IAEA inspections. This is not the first time the North has objected to these exercises. We view Team Spirit as a cooperative effort that depends on both ROK and U.S. joint contributions. Plans for the defense of South Korea are complex, and failure to practice implementing them via Team Spirit would reduce confidence in our ability to execute the plan. Should the U.S. and ROK governments cancel the exercise, we expect the DPRK would only take credit for the cancellation and not make any real changes in behavior.

Some say that the DPRK will acquire nuclear weapons regardless of what anyone does. In other words, the nuclear issue will not go away. We feel, therefore, that the issue should not be linked to any other conciliatory North-South efforts. At the same time, however, and while there is time, we should attempt through all fora available to dissuade the DPRK from following the path of acquiring nuclear weapons.

It is interesting to note the Russian proposal for conducting inspections outside the current framework of IAEA inspections. Conceivably, discussions in the JMC might lead to joint North-South inspections of suspicious facilities.

It is correct to characterize the DPRK nuclear weapons effort as offensive in nature. It is also important to reaffirm our commitment to the nuclear defense of Korea.

The U.S. pursued conventional arms control and other negotiations with the Russians in Europe without linkage to nuclear weapons issues. A broad approach may be the appropriate one to pursue in Korea, but such an approach does not, in itself, "put a lot of carrots in the salad." We do not have a lot of carrots to bring to the negotiating table, the USA team concluded.

The ROK response to the USA team's initial statements contained a recommendation that direct U.S.-DPRK contacts not be thought about in terms of their potential for resolving all outstanding issues, but only to solve the IAEA issue and the NPT problem. A U.S.-DPRK meeting should emphasize the need for the DPRK to accept ROK-DPRK mutual inspections.

U.S. players responded that they did not understand how such a meeting would influence the DPRK to accept North-South bilateral inspections. ROK team members replied: The U.S. should suggest that DPRK acceptance of reciprocal South-North inspections might make the U.S. consider not using nuclear weapons against the DPRK.

The USA team asked: What is the implication of a potential halt to Team Spirit exercises? At present, U.S. players said they saw no movement in U.S. public opinion toward demanding cancellation of Team Spirit, but certainly, hopefully, such exercises would not be necessary forever! Furthermore, players wondered whether the DPRK has considered that pulling out of the NPT also removes North Korea from the umbrella of negative nuclear protection (NSA guarantees) extended by the U.S. to cover nonproliferators.

With regard to canceling Team Spirit, some ROK players suggested that formal cancellation still allows for "renaming" or "rescoping" the joint exercises. U.S. players remarked disapprovingly on the disingenuous nature and appearance of such a move. ROK team members then focused on the need to develop common ground, as well as a clear understanding, about joint exercises—for use in developing a negotiating position for talks in the JMC. Our position, they said, is not whether to stop or continue Team Spirit, but what to consider as background for discussion in JMC channels.

The joint USA-ROK team consultations closed with a general discussion about the implications of various provisions of the NPT and IAEA inspections, as well as about the effect of the DRPK's current backing away from commitments previously made that still bear their signature on the bottom line.

DPRK Team-USA Team Representative Meeting

Following the joint USA-ROK team consultations in Move II, the Control team informed the U.S. players of the DPRK team offer (reported above, in the account of the DPRK team's deliberations) to talk directly with the U.S., preferably at a high level. The USA team responded that it would not receive a DPRK delegation, nor would it meet at a high level, as requested. It would, however, send a single, lower-level representative to meet with DPRK team representatives—as a way of maintaining the U.S. practice, just reaffirmed during consultations with the ROK, of communicating with the DPRK through already existing channels (i.e., Beijing and the UN).

The designated USA team representative met with the DPRK team, and then returned to the USA team with a report on the results of that meeting. The report communicated the substance of a DPRK proposal for further discussion with the U.S. of current problems and issues, contingent on the following "negotiable" conditions:

1. Replace the current armistice with a peace treaty
2. Begin withdrawing USFK gradually from Korea as soon as possible
3. Guarantee a nuclear free zone on the peninsula
4. Cancel Team Spirit exercises permanently
5. Issue a clear statement of negative security assurances for North Korea
6. Produce economic security cooperation package(s)
7. Normalize U.S.-DPRK diplomatic relations.

The DPRK's communication to the U.S., via the U.S. delegate, closed with a comment that efforts at resolving these issues can be successful if the U.S. is sincere.

Initial reactions to this communication among USA team members was that they should share it with the ROK team after deciding on a response. Some players asked: Should we respond? This is not serious! Nevertheless, discussion continued and began to focus on the nature of a response, if indeed one was to be forthcoming. Players wondered: What exactly is the DPRK asking for? What are the implications of or potential answers to the seven conditions? After several minutes of such discussion, a team consensus formed around a recommendation to respond with one line, to wit: The U.S. supports favorable resolution of each of these issues raised in the appropriate fora. This sentence was then communicated back to the DPRK.

ROK-DPRK Team Negotiations

ROK Team Presentation. We welcome you here. Now let us begin the South and North Korean high level talks. We considered carefully the 10-point program for great national solidarity, which was declared by your president Kim Il Sung recently.

We have some expectation that the 10-point program may signal a new developmental stage and impart an affirmative meaning to the dialogue between the two Koreas. We think the purpose of this dialogue is eventually to unite both Koreas. From our point of view, the peaceful unification that we pursue can gradually be accomplished by removing any obstacles in our way through mutual understanding and effort.

The most serious of those obstacles, which needs to be overcome, is the two Korea's mutual distrust of each other. Our questions about your development of nuclear weapons originate from this mutual distrust. To build confidence, all we

now have to do is settle this nuclear issue in some form. Our questions concerning it must be resolved by you. Otherwise, how can we promote trust? That is our position on the nuclear issue. So we ask you to take measures that address this matter.

One year and three months have passed since the South-North Basic Agreement and Declaration on Denuclearization were adopted and entered into force. During this period, three follow-on agreements for implementing the Basic Agreement entered into force and South-North joint committees—namely, the joint Reconciliation, Non-aggression, and Exchange/Cooperation Committees—have already been established as executive organizations to discuss the details of our agreements. We took an epochal action when we repatriated Lee In-Mo recently—unconditionally, without any strings attached—as a sign of new thinking on our part and to promote a better atmosphere for improvement in the South-North relationship.

It is a matter for regret that you stopped the inter-Korean dialogue between us on the pretext of our Team Spirit exercise. Furthermore, despite all of our joint efforts, you heightened the tension on the Korean peninsula, as well as in Northeast Asia and the world, with your declaration of withdrawal from the NPT. Thanks to these developments, which your actions have precipitated, this is the present situation and it is not good. We call your attention to the continuing need for improvement in South-North relations as the only way to accomplish our peaceful unification.

We now propose, therefore, some epochal measures to break the deadlock in the South-North dialogue. We hope these measures will supply momentum and serve as a turning point. First of all, let us fulfill our existing obligations right away. This means that we should implement immediately those measures already agreed upon under the South-North Basic Agreement and the Follow-On Agreement.

In reconciling our two countries through these agreements, we pledged, on the one hand, not to take any action against each other that would involve slander, defamation, or aggression, or would prevent the restoration of mutual trust, the holding of conferences and consultations, or the execution of the agreements. We also promised to take action, in detail, to eliminate offensive weapons and protect against any accidental military conflict. Thus, we should open the hotline between South and North military authorities, which we agreed to on November 6, 1992, as soon as possible. We should also implement the four military CBMs previously adopted. Together with these actions, we should begin consultations on issues related to mutual reductions of conventional armed forces and to the

removal of attack capabilities and massive lethal weapons. In particular, we should reduce the number of weapons of mass destruction, including missiles. Furthermore, we propose to expand mutual trust by verification measures to be implemented during the process of consultation on these other issues.

On the other hand, we also agreed to many things in the field of economic exchange and cooperation. One of these is to develop, through consultations, a detailed plan to implement special economic trading ports and zones—following a survey of the Nampo area, for example. We also agreed to open the trade routes between Nampo and Inchon, and between Wonsan and Pusan. Again, through consultations, we need to implement our agreements, open the routes for both sea lines of communication and ground traffic, exchange business delegations, and dispatch teams to identify and investigate opportunities for long-term cooperation. To take the proper steps toward encouraging new measures of economic cooperation, our government will permit all kinds of appropriate survey activities and visits to the North by our businessmen.

We also earnestly propose that both sides implement humanitarian measures in the social and cultural area unconditionally and as a matter of priority. To this end, as already noted, we ourselves have just repatriated long-term prisoner Lee In-Mo. We think this will promote the atmosphere of restoring trust and improving relations between South and North that we seek. Furthermore, to meet the separated-families provisions of our agreements with you, we propose implementing the provisions for meetings of such families regularly, opening a meeting place for this purpose at Panmunjom, and allowing senior citizens to make visits to their old hometowns, which would involve about 300 visitors twice a year. We also propose, again, the exchange of letters, of phone calls, of artist visits, and (in the future) of other media.

As mentioned before, the nuclear issue is the obstacle to building confidence between the South and North. To resolve this issue, we should observe that denuclearization has already been agreed upon by both Korean states. Denuclearization can be made more effective by permitting extensive mutual inspections and extensive compliance with the results. IAEA inspection is the best CBM. Delaying mutual inspection and withdrawing from the NPT make us doubt that your government intends to comply with—it appears to be denying—the Joint Declaration on Denuclearization, to which we give our greatest efforts. If you insist that IAEA special inspections cannot be accepted, then please suggest another reliable method of inspection. You must take some responsibility for having raised tensions among international public opinion so high. We ask you, again, to rejoin the NPT and accept inspection by the IAEA according to its rules.

According to the Joint Declaration of Denuclearization, we have agreed to mutual inspection between South and North Korea, separately from IAEA inspection. If this cannot be done soon, let us find an alternative and implement it early. For example, two questionable facilities are now suspected. No matter how you stipulate them—i.e., whether you say they are military facilities or general nuclear facilities—they cannot avoid raising suspicions that they are actually nuclear facilities. If those inspection sites are only military facilities as you insist, then we will also open our military facilities to your inspection teams. In other words, since we want to inspect those two questionable facilities of yours, we will allow you to inspect any military facilities of ours that you want to inspect. But you must allow your suspected facilities to be inspected. Then we will go ahead with mutual inspections.

For dealing with these issues, we propose to take the proper next step, previously agreed upon by both sides for the implementation of concrete measures, by holding meetings of the joint Nuclear Control Committee and the Joint Military Committee soon. Only dialogue can resolve our mistrust, and we are willing to continue the dialogue.

DPRK Team Presentation. We heard, and paid attention to, the ROK statement. Now we will explain our position. We just adopted the 10-point program for independent and peaceful unification under the leadership of our great president, Kim Il Sung. From our a point of view, this meeting should make progress on the basis of inter-Korea dialogue and the spirit of national independence. We should establish an independent, peaceful, and neutralized united state through great national solidarity. This means, in other words, that the two Koreas should pursue coexistence and coprosperity and stop the war-triggering split and confrontation between them that endanger the nation. Also, it means that we should trust each other and unite.

Our 10-point program could be in accord with your policy, as already declared by your government, of emphasizing national interests involving coexistence and coprosperity. You should maintain the independence inherent in this stance in order to terminate confrontation and accomplish peaceful national unification based on the 10-point program. Furthermore, you should demonstrate, in detail, a change in your attitude in the following ways: First, you should abandon the policy of dependence on foreign powers. Second, you should clearly demonstrate your intention to let U.S. forces withdraw from South Korea. Third, you should terminate joint military exercises with any foreign military forever. Fourth, you should get out from under the nuclear umbrella of the U.S. As soon as your government adopts these stances of independence, the pending issues

between the two Koreas will be solved. Through great national solidarity, all such issues can be resolved, as discussed before in our Joint Declaration of July 4.

We will now explain in detail several agenda items to be discussed here while placing particular emphasis on the central role of North-South talks. Basically, there has been no change in our attempt to explore every possible means for implementing the Joint Declaration of Denuclearization. Therefore, if you accept the provisions for consultation with regard to inspections, according to our agreement in the Joint Declaration of Denuclearization, we will do our best to agree on inspection provisions as soon as possible. You are continuously asking us to permit the IAEA's inspection of questionable nuclear facilities, either directly or indirectly. But as you know, we will not allow a purely military facility, on which we rely for security, to be inspected. Nevertheless, we can discuss—without limits or preconditions—issues of verification and the opening of military facilities for inspection in the process of implementing arms reductions between the two Koreas.

We say again that inspecting a military facility is not related to resolving the nuclear issue. Several times, we have proposed an agenda of issues related to prompt resolution of the military confrontation between the two Koreas. We hope to accelerate consultations by the joint committee aimed at discussing arms control issues and implementing arms reductions according to the Follow-On Agreement of Non-Aggression. We have already proposed some measures for arms reduction in detail. We want you also to propose some measures corresponding to ours and to discuss them with us as well.

The third agenda item raised in your presentation was about the issue of humanity. You repatriated Lee In-Mo, you said, who was in prison for 34 years. From a humanitarian point of view, you should have taken that action a lot earlier. Although we appreciate your sincere attitude now in this case, it is a little late in coming. Besides, in another case, you are still engaging in inhumane conduct. You put about 40 dissidents and patriots into the 15th barracks at the notorious Daijeon prison, the nickname of which is "Moscow," for 30 to 40 years. This is unprecedented in history. It is in the record books, where it makes all Korean people feel shame.

Next, we too will talk about the issue of separated families. As you know, there are 10 million people whose families are separated between the two Koreas. This issue involves so many people that it is impossible to solve any time soon. Accordingly, the easier thing from our point of view would be to resolve the issue gradually, by putting sincerity first. So we propose to discuss the matter you have raised, the one which relates to acceptance of a committee for separated

families, with more sincerity. Also, it is our fundamental position that you should let us reintroduce the exchange of visitors to their former hometowns. This exchange was stopped because of the obstacles raised by your government. We also propose discussing in more detail the ways of implementing economic exchanges and cooperation that promote coexistence and coprosperity.

We want to add one thing to your presentation before finishing our presentation. Frankly speaking, we feel that your presentation still shows no intention of settling the issue of two Koreas based on a spirit of independence. On the nuclear issue, for example, you bring up our withdrawal from the NPT continuously and ask us to accept the IAEA's inspections. From our point of view, every issue, including the nuclear issue, should be resolved on the basis of a spirit of independence that is expressed independently by the two Koreas. We think that would be the most desirable way to solve the nuclear problem. Our withdrawal from the NPT could not be avoided. The IAEA trampled on the sovereignty of the DPRK. As a sovereign state, we cannot accept such treatment. Hence, we also cannot help but suspect that your support for the IAEA on this issue will hinder the successful development of progress toward our main objective, North-South talks leading to unification.

We hope this suspicion comes to an end and proves to be only suspicion itself, not reality. From our point of view, every issue raised by both Koreas should be solved independently by both. We hope this meeting will bear such fruit.

ROK Team Response. Thank you for your efforts. We listened carefully to what you had to say and felt, as we heard it unfold, that this meeting might have a good chance for success. We see some encouraging signs in your presentation—e.g., your side wants to solve all problems through dialogue. This is fortunate, and we are happy about it.

To begin with, we definitely feel, like you, that every issue between the two Koreas should be solved through dialogue and consultation. Let us say again that our government has the same opinion on this point as yours. Furthermore, we place a high value on your proposal that both sides take every action required for implementing the denuclearization agreement signed by our governments. We will also think positively about your proposal that inspection issues involving suspected military facilities can be discussed by the Joint Military Committee.

The IAEA, however, represents a legitimate international inspection regime, and it has doubts about your two suspected sites. Thus, we say again that inspection by the IAEA must be observed as an international obligation and it seems to be

important to open these two sites to IAEA inspection. We sincerely request your further consideration of this matter.

At the same time, there is something that we must both do right away—namely, begin mutual inspections between the South and the North. These should be discussed by holding a meeting of the Joint Military Committee immediately. For such mutual inspections, issues related to the two questionable facilities that you argue are military facilities, but which others suspect to be nuclear facilities, as well as issues related to our military facilities in the South, should be resolved soon by the Joint Military Committee.

We propose that these issues be settled promptly, and we now expect that you will not disagree with this proposal. Let us both accelerate immediately our joint military consultations in the Joint Military Committee and aim them at discussing arms reductions and the inspection of military facilities. We also welcome your willingness, expressed with a positive desire and humanitarian concern, to reopen the exchange of visitors to former hometowns. We accept your proposal that the exchange of separated families be implemented gradually because we, in the south, have more separated families.

Overall, we have seen a lot of positive thinking and improvement in our dialogue during this meeting. Through consultations immediately following this meeting, we propose to do our best to establish regular meetings with you. We think there has been a lot of recognition of common interests in these high-level talks and, again, we place a high value on your sincere consideration of these interests.

You have raised a lot of points about the independence issue that relate to us. We hope, however, that you too will recognize what real independence is when you think it over after returning home from these talks. So let us both review that issue following this meeting.

We hope that the meeting's joint communiqué, which relates to our common interests and, thus, could be written for presentation jointly by spokesmen from both sides, can be announced to our domestic publics as well as abroad. What do you think of this? If you agree, we should let spokesmen from both sides meet with each other again and make agreements based on common interests derived from the meeting. After reviewing these agreements, we could then issue the communiqué.

DPRK Team Response. It seems to us also that this meeting has gone well. On the question about having a subcommittee reach agreements after this meeting, we propose letting a working-level group take appropriate action on more

concrete measures, and then we will reconvene for discussion of those measures. We expect this meeting to go smoothly.

ROK Team Reply. We agree. Let us finish our talks now and have our representatives meet to work on making agreements.

Ad Hoc Extension of Move II

Pursuant to the outcome of the formal ROK-DPRK negotiating session—specifically, the agreement that working-level subgroups should carry on the effort to reach mutually acceptable compromises on key issues—members of the two teams continued to play out Move II, rather than progress immediately to Move III as the Control team had intended. Faced with this spontaneous and unexpected development, the Control team decided to make additional time available in the game schedule for continuation of the two teams' search for compromise and resolution of their differences.

DPRK Team. Regarding the nuclear inspection issues during this extension of Move II, the North Korean side reaffirmed that it would allow trial bilateral nuclear inspections and suggested that it might even permit U.S. nationals to participate in them. We still cannot accept IAEA special inspections, DPRK players said, but we might consider a trial inspection or visiting tour by the ROK that included participation by the U.S. side. We will accept regular IAEA inspections only. This position will be maintained during meetings of the JNCC.

In response to the South's demand to inspect the two suspicious sites at Yongbyon, the North decided to seek inspection of two sites in the ROK, Osan and Wolsung. To buy time, however, the North wanted to pass this issue on to the Joint Military Commission and make the argument there that the two suspicious sites at Yongbyon will be verified during the last stage of arms reduction talks, as part of the verification process developed in those talks. If we accept the South Korea proposal to open the Yongbyon sites to inspection in exchange for inspection of the two sites in South Korea (Osan and Wolsung), DPRK players said, it would be our great concession.

We have raised several points, team members noted, but we have not received any response. We will repeat our same seven points again, they said, but more explicitly. If regular inspection by South Korea is not feasible, in principle there will be such inspections, but in reality they will consist of roving tours by ROK teams. The South Korean position is that there will be no sanctuaries. North Korea should accept trial inspections but not tours.

We will agree to trial inspections, players affirmed, if the seven requirements are met. These requirements are not conditions, however. If North Korea were to conclude a peace treaty with the U.S. (one of the seven requirements), for example, and only with the U.S., it would do a great harm to the prestige of South Korea. We should establish a relationship with the U.S., players concluded, and the clauses of a peace treaty should be included in an agreement to establish diplomatic relations with the U.S. so that we can save the face of South Korea. Regarding the peace treaty requirement, they added, there should be a clause that stipulates the relationship between the U.S. and North Korea. To address another requirement, the elimination of all joint exercises should also be included.

The social and cultural committee will discuss the separated family issues, players observed, such as the size of people-to-people exchanges. Since there are four seasons in a year, North Korea would like to hold separated family meetings four times a year, with 250 families meeting each time. The team also mentioned other such policy issues to be discussed in various committees; for example, establishing economic zones in Nampo, Wonsan, Najin, and Sunbong. Another immediate issue raised was how to ensure nonaggression from South Korea; also, how to be sure that the U.S. military threat to North Korea would not remain and how to promote equal prosperity and coexistence with South Korea.

Moving back to the nuclear issue, DPRK players talked about the international environment and the effect of an economic embargo on North Korea. Three hundred million dollars would be sufficient to maintain the North Korea economy in terms of currency, they said. China would not vote against sanctions, but would abstain. North Korea has the capability of selling NODONG and other missiles. This capability would allow the DPRK to outlast an embargo, which is why North Korea is building NODONG III. The DPRK decided to withdraw from the NPT with minimum support from China, although the leadership may have notified China in advance.

North Korea is facing two great challenges, players continued. The first is a shortage of fuel and the second is a shortage of food. If they could obtain these two commodities, then they could hold out for another year. Again, this is why they are building NODONG III. We should learn lessons from Desert Storm, said DPRK team members. Unless the U.S. and its allies defeated Iraq, they could not stop Iraq from building nuclear weapons. In the Korean case, the U.S. certainly could not stop the DPRK from building nuclear weapons.

The most worrisome event for South Korea, DPRK players said, would be the adoption at the UN of military sanctions that had been precipitated by North

Korea's actions and sponsored by the U.S. Such sanctions would surely invoke a DPRK attack on Seoul. When Iraq fired SCUD missiles that were interdicted by Patriot missiles during Desert Storm, there had been sufficient time to respond. On the Korean peninsula, however, there would not be enough response time. SCUD or even older FROG missiles could have a devastating effect on the metropolitan area of Seoul. Not only had North Korea adopted a stop-and-go strategy for the nuclear issue, but South Korea had followed suit, given its need to adjust to U.S. positions.

USA Team-ROK Team Representative Meeting. A ROK team member came to the USA team in secret for a meeting to explain ideas that had emerged from the working-group sessions following the last round of formal ROK-DPRK team negotiations. Talk about the possibilities of "trial" joint South-North inspections, which will allow the DPRK to save face, had come out of those working-level sessions, the ROK representative said. The intent was for the ROK, with the U.S. participating, to be able to inspect the DPRK and for the DPRK to inspect the ROK; these would count as special inspections for IAEA purposes. Hence, the IAEA would withdraw its request for special inspections; meanwhile, a joint ROK-USA team would conduct inspections of those facilities named in the original IAEA request for special inspections, and the DPRK would continue to submit to regular IAEA inspections. Thus, the DPRK would rejoin the NPT. The "trial" inspections would be conducted under the auspices of existing joint ROK-DPRK bilateral talks and agreements, and they would continue in the future according to further agreements reached between the ROK and the DPRK.

When the ROK team representative had departed, U.S. players began discussing the ROK team's request for support of this proposal and the position of the ROK in general. The U.S. players explored what the U.S. could expect to gain from its support of the proposal and what its possible losses were. Team members wondered what trap the proposal might lead them into, but in the end they concluded that the pros of supporting the proposal were greater than the cons of withholding U.S. support. Once this was decided, the USA team drafted a policy position, called the ROK delegate back, and issued the following statement:

The U.S. agrees to support the proposal in principle, provided it marks the beginning of a process of continuing bilateral inspections. We strongly encourage inclusion of a third inspection site (in North Korea), to be notified later and inspected within 24 hours of notification.

The last point was inserted in an attempt to keep the DPRK honest. The DPRK has had lots of time, U.S. players noted, to move equipment and clean up the suspicious sites at Yongbyon.

Move III

Highlights

This move took players back to the future—specifically to October 1994. The session was remarkable for the changes that were assumed to have taken place in North Korea's political structure. Kim Il Sung was reported in the introductory scenario to have died, and his son, Kim Jong Il, was said to have failed in his attempt to succeed his father. In August 1994, the scenario reported, Kim Jong Il was deposed by a coup led by self-styled "pragmatic" military officers, who were trying to follow a Chinese model of development for North Korea that sought to modernize the economy while maintaining Communist party control over the government. Players on all teams received this information, as well as instructions for formulating new policies in light of this new development.

Given the changes that were assumed to have taken place in North Korea's political structure, the DPRK made the following assumptions about life in a post-Kim Korea:

Rapid and broad changes had taken place in North Korean society, even though lip service was still being paid to Kim Il Sung's thought and the *juche* (self-reliance) idea. After Kim Il Sung was gone, one important difference was that practical and spiritual bonds between people and leadership disappeared quickly. At the same time, bonding among top cadres quickly weakened, leaving most cadres in dismay and frustration, so the more pragmatic military officers staged a coup.

The thinking among informed cadres, DPRK players assumed, was both pragmatic and logical. The so-called *Chamgo sosik* (Reference News), which for years has been narrowly disseminated for the purpose of giving selected cadres background to formulate policy, turned out to have provided these cadres with a basic education in world events. They quickly realized that Korea's economic bottlenecks were so imbedded in North Korean political and economic structures that the only solution was to undertake fundamental reforms, including an open-door policy.

It became apparent, according to the DPRK team, that Korean tradition and culture were not totally destroyed during Kim Il Sung's rule of almost half a century. Once rational policy discussions could be held, the interim government leaders showed a positive attitude toward their South Korean counterparts. Discussion of issues such as future cooperation for the tourism industry, environmental protection, and ecological preservation of the DMZ quickly proved that North and South Korean sentiments were similar. Furthermore, the

North proved to be highly forthcoming, in principle, on outstanding security issues, such as access for purposes of inspecting suspected nuclear facilities, confidence-building measures, and conventional arms reductions via arms control negotiations.

The DPRK team put its new, much more forthcoming positions and principles on the table for discussion and negotiation during the high-level talks conducted toward the end of Move III. Both the ROK and the USA teams acknowledged in their joint talks and in their separate deliberations that a basic change had occurred in the North, but each of these teams, in differing degrees, proved to be cautious about making specific overtures to the North under the circumstances.

The USA team was the most wary, arguing in favor of a wait-and-see approach—to ensure that declaratory and other changes in the DPRK actually bore fruit—before making any fundamental changes in ROK-U.S. policies, such as permanent cancellation of Team Spirit exercises. U.S. players observed that the North's new leadership consisted, after all, of people who were products of the former regime. They asked why these self-proclaimed pragmatists should be trusted any more than the Kims, at least until they had demonstrated their differences through consistent implementation of the new policies they were now proclaiming.

The ROK team was more forthcoming in its recommended approach to the new leadership in the North, preferring to encourage its chances for success by coming forward with policy carrots, such as an announcement that Team Spirit exercises would be canceled for good. The South Korean players were concerned, for the most part, not that the new North Korean leadership lacked credentials as a reform-minded group but that the group might fail in its efforts to put the DPRK on a new, more stable international path by attempting to follow the Chinese "model." The result of such failure, ROK players feared, would be a premature collapse of the DPRK, along the lines of the former East German model in Europe, with a big financial and economic bill for reunification left to be paid by South Korea alone.

Introductory Scenario

Dramatic changes have altered the political environment on the Korean peninsula. Kim Il Sung, leader of the DPRK for over 45 years, died of natural causes in July of this year—at the height of the crisis over anticipated deployment of North Korean nuclear weapons and SCUDs; right after the ROK-DPRK Prime Ministerial meeting on 15 July, in fact.

The "Great Leader" was immediately succeeded by his son, Kim Jong Il (the "Dear Leader"), who moved quickly to consolidate his control over the government in Pyongyang. However, this attempt to solidify his power base touched off a prolonged power struggle, essentially between two different factions that appeared to reflect more modernizing elements within the Communist party, on the one hand, and more reactionary elements, on the other.

As a result of DPRK preoccupation with this internal power struggle, all work on North Korea's nuclear/SCUD deployment plans appears to have been frozen in place. Intelligence analysts in both the U.S. and South Korea have reached that conclusion, which they have incorporated in findings presented to their various national leaders.

In August 1994, a coup led by self-styled "pragmatic" military officers ousted Kim Jong Il and installed a former prime minister as head of a transitional government. Turning to the outside world, the new leaders of North Korea stated that their regime, while not abandoning Communist concepts and organization or the historic accomplishments of the Great Leader, will be noted for pragmatic and progressive attempts to become a reliable member of the world community. To that end, the DPRK Prime Minister has offered to meet with his ROK counterpart on 15 October, to resume the face-to-face dialogue and negotiation on arms control issues that last took place on 15 July 1994 (during Move I).

By 1 October 1994, the leaders of the military coup appeared to have fully consolidated their position and power over the government of North Korea, and they seem to be working well with the former Prime Minister and his associates. They say that they are modeling themselves and their country on the example of China, which moved successfully toward modernization of its society while maintaining Communist party control of the government.

The broad outlines of a new, cooperative international policy for the DPRK show signs of emerging. In the field of arms control, for example, North Korea's new leaders have repeatedly proclaimed their interest in transforming the DPRK into a more responsible member of the international community. To this end, the DPRK recently announced its intention to rejoin the NPT regime and agreed to host the IAEA inspections it refused to accept almost two years ago when it withdrew from the treaty. Furthermore, the North has said that it would reconsider a bilateral inspection regime with the South, provided the terms and conditions for such a regime were truly reciprocal.

In calling for another meeting of both the North's and the South's Prime Ministers to take place on 15 October, the DPRK's new leaders declared that they have high hopes of both sides' making significant progress on a wide variety of arms control issues—conventional as well as nuclear—at this next meeting. In view of the new military relationships, the North is now seriously willing to explore cooperation through arms control, the new leaders say; the DPRK also wants to discuss a broad range of

possibilities for improving its economic and political relationships with the South.

Instructions to the Teams

DPRK Team. The political situation in North Korea is still marked by confusion, even though it is clear that the ruling military coup leaders have triumphed over their more reactionary colleagues. At this stage, the coup leaders have not yet worked out a consistent geopolitical strategy for dealing with the DPRK's neighbors or the larger international community. These reformist officers are pragmatic but not liberal. They remain, after all, dedicated Communists and, as such, seem likely to pattern their plans and actions on the model of their Chinese Communist neighbors. They want to encourage economic growth for their country but not political democracy. They intend to avoid the fate of the USSR and its former Warsaw Pact allies.

With the foregoing information comprising virtually all of the guidance that government officials working with the former Prime Minister have available to them at this point, the Chair of the DPRK team should initiate the discussion in Move III by asking other team members to comment, briefly, on the new political situation in North Korea, its implications for political-military relationships on the peninsula, in the region, and within the global community.

Then the team should formulate and write down, collectively, what its key objectives are going to be under the circumstances (i.e., the team members' best guesses, given the situation not only as it has been presented to them but also as their broader knowledge of the North Korean environment might suggest it would develop under such circumstances). They should directly address whether their previous objectives—from Moves I and II—should be changed, modified, or reprioritized in view of the new regime in the North.

When the DPRK team has its own objectives in order—to include, again, an indication of the priority or ranking among the different objectives—the team should attempt to write down a similar assessment of the expected objectives of the U.S. and of the ROK in light of the regime change in the North.

Once more, as in previous moves, a negotiating session between the Prime Ministers of North and South Korea is planned for the end of the move. It will be preceded, as before, by consultations between the ROK and its principal ally, the U.S. The DPRK team's job, at this point, is to prepare for its formal negotiating session with the ROK.

ROK, USA, Chinese, Japanese, and Russian Teams. The players on each team should initiate their discussions in Move III by commenting, briefly, on the new political situation on the Korean peninsula and its potential relationship to the military situation.

Then the team should review and write down, collectively, what its key objectives ought to be in the new circumstances. They should directly address whether former objectives—such as preventing North Korean nuclear proliferation, promoting nuclear and other forms of arms control, and building the kind of confidence that might lead to more stable military relationships in times of crisis—should be changed, modified, or reprioritized in view of the new regime in the North.

When the team has its own objectives in order—to include, again, an indication of the priority or ranking among the different objectives—the team should attempt to write down a similar assessment of the expected objectives of the ROK and of the DPRK, in view of the regime change in the North.

Once more, as in previous moves, a negotiating session between the Prime Ministers of North and South Korea is planned for the end of the move. It will be preceded, again as before, by consultations between the ROK and its principal ally, the U.S.

In preparation for these negotiating/consultative sessions, each team should also try to specify, by writing down for itself

- which policy issues are most likely to arise in or around the negotiations, e.g.,
 - diplomatic
 - military
 - economic
 - domestic political
 - declaratory.
- which of these issues are so important that the ROK will not compromise on them, and where flexibility may be possible
- what the expected U.S. and DPRK positions and priorities on each of these issues are likely to be.

The team should also review the arms control issues listed below—this time in more detail, with a view toward whether new answers to any of these questions might indeed create possibilities for positively influencing the DPRK under its new leadership. In other words, among the possible “deals” that might now be struck with North Korea (but would have been impossible to make with a DPRK led by the Kims, father or son), there could very well be a new and much more forthcoming “deal” to be made on arms control—for conventional as well as nuclear weapons and forces.

Summarized and adapted from the KIDA paper on this subject, the arms control issues to be examined here—with a view toward what might be negotiable now (on both sides) that proved impossible to deal with before—are as follows:

- Whether to link nuclear inspections and conventional arms control negotiations

- How to respond to a renewed DPRK push for a nuclear weapons program
- Whether to link confidence-building measures to arms reduction talks
- How to determine the components of military parity
- Whether and how to establish phased arms reduction methods
- What should be the target of reductions, personnel or armaments or both
- Whether to negotiate any limited deployment zones
- When and how to implement any limited deployment zones
- What kinds of verification means to employ
- Who should participate in any arms control inspection agencies
- Which other confidence-building and arms reduction measures to include.

When the team has settled on its list of key objectives and associated policy issues, team members should summarize the group's position to that point. If a consensus cannot be reached on any position, the team should vote on the options.

On the basis of this summary of accepted positions, team members should write down, separately, talking points for presentation of the team's position in the various bilaterals it can be expected to conduct prior to the forthcoming consultations between the ROK and the U.S., as well as the formal Prime Ministers' meeting between the ROK and the DPRK that will bring Move III to a conclusion.

Team Deliberations

DPRK Team. Now we are in crisis, the Chair said in the opening discussion of this move. The danger of unification through absorption of the North by the South looms ahead. The reactionary groups who support Kim Jong Il still exist. Our internal economic situation is not good. Our previous policy of confrontation against the South is fraught with too many difficulties in such a situation. It would be better to move in the direction of national coprosperity by means of dialogue with the ROK. Therefore, we must lead the talks we have scheduled with the South in the direction of political reconciliation.

Before thinking about the talks with the South, other players responded, we must think about the rise of our new pragmatic group of leaders and what they will do. A strategy of talks vis-à-vis the South, and the U.S. as well, should be decided upon only after we have given some thought and judgment to what the new leadership of the DPRK is trying to accomplish.

Even though they say they want to follow the Chinese model, it will be difficult to introduce a market economic system to North Korea like the one in China. The Chinese proclaimed their system of reform and their open-door policy in 1979, but it took them 15 years to introduce it. According to the Chinese experience, even if North Korea introduces reforms now, these are going to be very similar to the first stage of reforms in China, i.e., the situation in 1979. For example, the DPRK would establish for its first stage a "Special District" at Nampo, Wonsan, Najin, Sunbong, and Shinuju. We would need foreign capital for the project. Hence, we must amend our "Joint Venture Act."

Furthermore, to appease and guard against internal disturbances and to eliminate the threat from the South, it is absolutely necessary to make a clear "Nonaggression Treaty" with the South. We also need U.S. assurances of peace on the Korean peninsula. The South and the North must enter into a stage of coexistence and coprosperity, as well as advanced economic cooperation. Both must give up trying to unify with the other by absorption. North-South high-level talks should be opened only after the new government decides its position on all of these matters.

The background for Move III is such, the Chair added, that we should also decide whether we are going to renounce the development of nuclear weapons. Since the situation has changed so dramatically, we may now consider whether we can yield on several requirements laid out in the seven points we made before. For the survival of the new regime, we should initiate diplomatic ties and engage in substantive cooperation with South Korea and other countries.

Other players chimed in on the nuclear question. The scenario, they said, indicates that the DPRK has come to an agreement on returning to the NPT, on inspections by the IAEA, and even on North-South mutual inspections, if these are based on real reciprocity. Since we (in the DPRK) are developing nuclear weapons, players observed, we have to decide either to continue or to give up that effort. Some noted that, according to the scenario, the new leadership had already declared in favor of an appeasement policy for the nuclear question. It might be sufficient simply to loosen the preconditions (the seven points) that the DPRK had previously proposed for the U.S., they suggested.

At this point, the Chair concluded that the team's position on the nuclear question had already been decided. By accepting IAEA inspection, the Chair argued, the new DPRK leadership had conceded the nuclear issue to the U.S. Now the DPRK players had to demand the normalization of relations with the U.S. for the safety of the new regime. For peaceful coexistence, they would have

to make advances in conventional arms control, as well as transform the "Cease-Fire Treaty" into the "Peace Treaty."

Other players agreed. Under the scenario, they maintained, North Korea was very positively disposed on the question of mutual assurances of security vis-à-vis neighboring countries and, thus, highly inclined to conclude a peace treaty with the ROK, the U.S., and Japan. The DPRK would like the United Nations Command to wither away now, just as the current military demarcation line between the two Koreas seemed likely to become a nonaggression line.

Since we have accepted IAEA inspections, some players contended, we should be compensated by the U.S. If we are assured that there will be no aggression against North Korea, we will proceed with a peace treaty. We must decide on whom the treaty should be concluded with. Under the new circumstances that now exist, North Korea would certainly need a mechanism for ensuring that the South would not attack the North. No additional relationships with the U.S. can be formed without keeping this critical fact in mind. Diplomatic relations with the U.S., therefore, cannot be established without concluding a peace treaty, which must apply to both the U.S. and South Korea.

If DPRK-U.S. diplomatic relations are established and the mechanisms for ensuring nonaggression between North and South Korea are set up, players said, the UN Command in the South should be disbanded in due course. However, until there is an appropriate guarantee that the South will not attack the North, the current armistice agreement will remain in effect, guaranteed by the signatures of the UN commander and the commander of Chinese volunteer forces.

Not only that, said team members, we need additional assurances from the other foreign powers. Since the basic accord between North and South Korea does not have the same effect as an international treaty, we will upgrade the current status of that accord with a new document that will be endorsed and guaranteed (with peacekeeping forces, if necessary) as an international agreement by four major powers. It can be called a mutual nonaggression treaty by six nations. For this treaty, we will accept an international supervisory team, in residence on DPRK territory, consisting of the U.S., Japan, China, and Russia—i.e., noncombat supervisors from those countries, not troops.

While several agreements on CBMs are foreseeable, players observed, at this moment we need to guarantee first of all nonaggression from South Korea. From the North Korean point of view, there needs to be an agreement on the prenotification of troop exercises involving three divisions or more. We should also agree to establish a hotline between South and North Korea to prevent

accidental events, and we have to provide, as well, for the installation of other communication lines besides the hotline. Just like (the former) East Germany, North Korea should make every effort to be recognized as a reliable member of the international community.

Discussion then shifted to LDZs. One proposal was to limit deployments of troops below the Pyongyang line and above the Seoul line (in KIDA's paper). Another proposal was to proceed with the principle of asymmetrical force withdrawals from LDZs but without specifying the number of divisions to be removed. In the area 50 kilometers north or south of the military demarkation line in the DMZ, one player suggested, no troops should be deployed. North Korea should withdraw the same number of troops or equipment from that area as South Korea over the next few years. Therefore, the arms reduction principles of North Korea should be: first, gradual reduction; second, simultaneous reduction of troops and equipment; third, mutual balanced reductions.

Furthermore, the first-stage goal should be a reduction of forces to 90 percent of the inferior side—that is, the party with the larger number of troops should reduce those troops, over the next two years, to the level of the party with the smaller forces. With regard to equipment, players believed, four categories were likely to be the targets of arms reductions:

- tanks
- attack helicopters
- artillery
- armored personnel carriers.

We hope to reduce these at equal rates of, say, 20 percent over two years, DPRK team members opined. Equal rates of troop reduction should also be made. Thirty percent of current troop levels on both sides should be reduced over the next three years. Additional reductions should be discussed later. Another DPRK arms reduction principle, therefore, was the reduction of troops and equipment simultaneously. The troops to be reduced should be standing, active-duty forces. South Korea's troop strength at the end of the first phase of reductions should be 550,000, and at the end of the second stage it should be 400,000. Further reductions would depend on the results of other negotiations (e.g., over unification).

The DPRK team also decided to call on South Korea to prohibit the introduction of forward-looking, modernized weapon systems and advanced military technology to the Korean peninsula. The players wanted to demand that South

Korea refrain from engaging in qualitative improvement of existing weapon systems.

With regard to inspection and verification issues, DPRK players agreed to accept on-site inspections, but not residential (i.e., permanently emplaced) monitoring teams. We will also allow open-skies inspections, players said. Open skies will be accepted as a primary means of arms reduction verification. In any arms control inspection agencies for Korea (which had been suggested in KIDA's issue paper), players concluded, North and South Korea, China, and the U.S. should be involved.

On other points among the seven that the DPRK team had proclaimed earlier in the game, players agreed that they would demand a clearer position on negative security assurances to North Korea from the U.S. We will also demand a clearer stance on joint U.S.-ROK exercises (e.g., Team Spirit) from the U.S., they said.

Regarding the issue of USFK's removal, the players decided to reiterate their position that all foreign troops should leave the Korean peninsula as a matter of principle. However, they would be satisfied if such a withdrawal came about as a gradual retreat, especially since the USFK could serve to interdict a potential invasion of the North by the South. We will still demand the withdrawal of USFK forces, they said, but not as a precondition for resolution of other major issues. Moreover, they acknowledged, if the USFK were actually to be included in North and South Korean arms reductions, this would mean that USFK could stay on the peninsula for a long time to come.

Finally, players contended, the DPRK should continue to demand more economic cooperation. Since such cooperation could not be fully realized in a day, some team members recommended that North Korea concentrate on the development of the Tumen Special District. The DPRK had to distinguish between opening the door and full-fledged reformation, players said. We have to open the door gradually, with one or two special economic zones, they observed, and any further reformation must be limited to four such special districts (Nampo, Wonsan, Najin, and Sunpong).

For the sake of greater economic cooperation, if nothing else, players agreed, the current diplomatic process involving the U.S. and Japan should be continued and improved as soon as possible. We should also devise a negotiating strategy to revitalize our economy and attract South Korean capital, players suggested. The new North Korean military leaders need two kinds of capital: One is a fast infusion of capital and the other is full development of North Korea's economic infrastructure on a mid- and long-term basis.

Since they had defined their objectives on nonaggression and related security issues fairly extensively, team members concluded, they should next settle on objectives for the social, cultural, and other economic issues. We should adopt a more proactive policy on the reunion of separated families, they said. For example, confirmation of whether separated family members are dead or alive, as well as exchange of letters between separated families, should be pursued. Visits to hometowns by those who are 70 years or older would be allowed, and meetings between others from both sides would also be permitted at designated places. The development of tourism should be included in economic cooperation, players said, because the DPRK could collect fees—e.g., \$1,000 per person—from every visitor to help its economy.

Thanks to the sea changes within the North Korean political community, many DPRK team members now thought that improvement in North Korea's economic and diplomatic situations was possible. There were even changes in how the team began to deal with the nuclear issue. DPRK players decided to engage first, however, in conventional arms reduction talks—to test South Korea's willingness to pursue peaceful coexistence. Neither side in those talks should be engaged in recriminations or accusations, players said, but, rather, in mutual effort and verification, so that all the supplementary documents agreed to by both sides will be not only more detailed but also more trustworthy. We will fully utilize military officers and facilities in this effort, they vowed, including military communications.

To promote a better relationship with all nations, especially the U.S., Japan, Russia, and China, the DPRK team asked for meetings with each of them, starting first with the USA team. This meeting took place at the "old, unofficial" level. In other words, one USA team representative met with the full DPRK team, thus signifying that full diplomatic relations had not yet been established.

DPRK Team-USA Team Representative Meeting. The DPRK team proposed that the following steps be taken to implement conventional arms reductions. First, engage in CBMs:

- Restrict military exercises and promptly report the staging of exercises involving more than three divisions.
- Discontinue joint military exercises with foreign states.
- Convert the DMZ into a peace zone and invite a four-power inspection team (U.S., Japan, China, and Russia) to monitor the zone.
- Initiate military exchanges and install a hot line.

Second, restrict troop deployments. The DPRK team decided to request that forces not be deployed within 50 kilometers of the DMZ.

Third, reduce the size of forces. DPRK players favored gradual, matching reductions. Manpower and weapons reductions would occur simultaneously. In the first stage of reductions, both sides would reduce their troop levels by 10 percent of the troop strength of South Korea (which has the fewer troops). Further reductions would be negotiated. The desirable limit of reductions seemed to be 700,000–800,000 combined forces (South and North). In addition, there would be restrictions on importing new weaponry. To verify the reductions, aerial inspection would be allowed. The reductions would be monitored by an international inspection team consisting of China, the U.S., and the two Koreas.

DPRK-Russian Team Meeting. The North Korean players requested Russian aid in the amount of one million tons of oil, with payment to be made over five years. The DPRK team also asked to delay payment of debt interest until the North Korean economy was on firmer ground. Russian team members expressed concern over Russia's ability to help out the stagnating North Korean economy, but they agreed to consider these requests and proposed that the two countries construct a gas and oil pipeline connecting Russia with North and South Korea. Russia also asked North Korea to support the development of the Tumen River Basin Project (at the geographic intersection of Russia, China, and North Korea).

DPRK-Japanese Team Consultations. The DPRK team showed interest in normalizing relations by July 1, 1995. The Japanese team responded that it could not do anything to promote normalization, or discuss such figures as the \$20 billion in aid to the DPRK that some were suggesting, until North Korea's missile deployment, which could target Japan's west coast, had been eliminated. More precisely, the players representing Japan communicated the following position: We welcome your proposal for diplomatic relations. And we do not have any basic objection to the idea. However, three things have to be considered before relations can be normalized:

- July 1995 is too premature.
- Your missile deployment is a stumbling block.
- The nuclear situation must be resolved. You must return to the NPT and accept IAEA special inspections.

Given full implementation and verification of the last two points, Japanese team members said, the first point would follow; they would agree to move into full

diplomatic relations. The Japanese players added that they would not pay "reparations," although they would consider aid under another name in the course of normalizing relations.

DPRK players said they were ready to remove any nuclear suspicions. We are ready to rejoin the NPT, they promised. We would allow Japanese wives to return to Japan. We feel sorry about their absence. We are willing to compensate them. Regarding diplomatic relations with Japan, the North Korean team decided to accept fully all the preconditions raised by Japan.

DPRK-Chinese Team Consultations. The players representing China replied to the DPRK team's request for opinions on three points:

- development in a socialist economic system
- how to gain international support for the new DPRK regime
- how dialogue with South Korea can be resumed.

We understand your situation and strongly endorse your efforts to catch up with other nations, the Chinese representatives said. We recommend that you open up a serious dialogue with South Korea and move to denuclearize the peninsula and engage in conventional arms reductions.

ROK Team. A problem occurred in the recording of this team's deliberations. The problem came to light only after the game had ended. What follows below, therefore, is an outline of what team members discussed, not a detailed description. This outline plus the ROK team's presentation during the consultative and negotiating sessions at the end of the move (which are reported in full below) provide a good indication of where the ROK players were going, if not exactly how they got there.

- Goals
 - establishing peace on the Korean peninsula
 - promoting a basis for peaceful unification.
- Basic policies
 - toward North Korea
 - supporting North Korea's new pragmatic government
 - conciliating and supporting their opening-up policy
 - pursuing South-North cooperation, pursuing common interests
 - supporting North Korea's effort to avoid international isolation, supporting DPRK-U.S. and DPRK-Japan diplomatic normalization

- pursuing arms control negotiations, including confidence-building measures
- letting them accept IAEA inspections
- pursuing a South-North summit meeting
- pursuing unification gradually
 - unification in economy, culture, and society
 - unification by constructing a federation of nations.
- toward the U.S.
 - negotiating DPRK-U.S. diplomatic normalization
 - U.S. support for North Korea economically and diplomatically;
 - negotiating problems such as USFK reductions, a permanent halt of Team Spirit exercises, agreement on a peace treaty, returning operative control of military forces to South Korea, and abolishing the United Nations Command.

USA Team. After adjusting to Move III's scenario changes, the players began to readdress the questions raised in their instructions (i.e., the ones drawn originally from KIDA's paper). We have answered permanently the question about linkage, they said. The answer is no, do not link nuclear inspections to arms control negotiations. Then they discussed what the relationship would be between the USA and ROK teams on the latter's going-in positions for arms control negotiations with the DPRK at the end of the move. The U.S. players agreed that the U.S. would be a consulting partner to the ROK team on these issues.

Further discussion of the Move III scenario ensued, especially of its plausibility with respect to how this situation could come about. Much of the discussion centered on and consisted of comparisons to the European example of German unification and the collapse of the Soviet Union. Additional talk focused on details of particular arms control provisions as they might apply to and affect the special situation of the Korean peninsula.

Following a scenario update by the control team, the gist of which was that the DPRK is now ready to "play ball" as a full-up partner with the ROK, the USA team concentrated its efforts on preparing for its upcoming talks with the ROK team on what kind of "ball game" they would now be playing with the DPRK.

The USA team also focused on refinement of its objectives to bring them into accord with the present situation. Discussion centered around issues of arms control identified in KIDA's background paper on this subject. The group talked about CBMs as useful vehicles for changing and enhancing relationships and attitudes on both sides. Generally, the team felt that particular details of arms control—such as those related to LDZs, reductions, or inspection regimes—were worth developing further in order to make progress and provide input to the slate of proposals that the ROK team was likely to make to the DPRK at their next meeting.

The USA team requested informal talks with the ROK team, in advance of their forthcoming scheduled consultations, to "feel out" their thinking on the drafting of proposals. The control team informed the USA team that a ROK representative would meet with them soon. While awaiting that representative's arrival, U.S. players continued their discussion of arms control issues, such as how to establish military parity and what equipment or personnel options to include in any potential negotiating proposals. Discussion and comparison to the CFE experience attracted the players' attention, especially the question of whether or not to include personnel. They noted that the situation on the peninsula is such (with regard to personnel) that it may be critical to include total personnel levels, units, and people counts in any Korean arms control or military parity equations.

USA Team-ROK Team Representative Meeting. The representative from the ROK team arrived for informal consultations. Talks followed about a general scheme to support change in the DPRK that would lead it to become a responsible world actor—a change more oriented toward Western models of government, politics, and economics. Details of the nuclear situation were still unclear, players said, but it was important not to let that hinder progress on normalization between the ROK and the DPRK.

The ROK representative expressed interest in hearing what the U.S. was prepared to do to help further ROK aims, especially with regard to restoring diplomatic relations with the DPRK and providing economic assistance and security guarantees. The South Korean delegate mentioned that the ROK team was considering the potential instability that might occur from any future domestic turmoil in the DPRK. The ROK players believed a plan should be prepared to address that potential crisis—in particular, a plan that included ways to signal true intentions and actual situations and thoughts on both sides.

U.S. players raised the importance of ROK-DPRK normalization, as opposed to the requests and suggestions that other regional powers (China, Russia, Japan,

U.S.) fully normalize their relations with the DPRK. The gist of the USA team's presentation on this subject was that a wide range of political, economic, and military actions and programs would be required to support the general objective of bringing the DPRK into the world "fold."

The ROK delegate replied that the South Korean team was anticipating great cooperation from Russia and China. It was expecting arms control measures characterized by phased reductions and gradual progress on issues originally identified in KIDA's paper. For its upcoming meeting with the DPRK, the ROK team was looking for specific guidance and suggestions from the U.S., especially with respect to the ideas just mentioned. ROK team goals were

1. prevent the breakdown of government in the DPRK
2. devise countermeasures to no. 1
3. influence the DPRK to become pro-West
4. influence the DPRK to accept IAEA inspections.

Following this meeting with the ROK team representative, the control team informed the U.S. players that the DPRK wanted to meet with the U.S. at the "old, unofficial" level before the formal ROK and U.S. consultations took place. As in previous moves, the USA team sent a lone representative to meet with the DPRK team (reported above).

Meanwhile, the rest of the team discussed the information presented by the ROK team representative. Considering what the ROK expects from the U.S., players said, we think that the ROK is looking for guidance from the U.S. on which specific steps they should be taking with the DPRK right now. Maybe the ROK expects that the DPRK might soon request high-level talks with the U.S., players suggested.

The team generally concluded that the U.S. approach under the new (scenario) circumstances should not be much different from its present (in reality) and past (in the game) positions. The idea the USA team would attempt to convey to all parties, players said, is that the DPRK can best make progress by genuine adherence to and participation in the myriad existing fora and structures already available. The necessary tools and mechanisms for North Korean incorporation into the world community exist now in the current apparatus for North-South dialogue.

The team talked at length, however, about "adding meat to the bones" of such existing structures. Perhaps we should encourage going beyond the current structures, players said. Regarding normalization, they asked, how far would or

should the U.S. go? Consensus formed around the position that the U.S. should not move on improving its relationships with the DPRK until the ROK and DPRK first do so together. Team members asked: What about economic aid? Again, the consensus was to dispense such aid if, and as, the "good behavior" of the DPRK warrants. The USA team should encourage North-South normalization and any DPRK moves to become a more responsible citizen of the global community, players decided, but it would emphasize at its forthcoming meeting with the ROK that the North Koreans must prove themselves to be good neighbors before the U.S. does anything very special (e.g., normalization at the ambassadorial level).

The USA team representative returned, at this point, from meeting with the DPRK team. The delegate reported that the normalization issue between the DPRK and the U.S. seems to be very important to progress in North-South normalization, according to the DPRK team. The North Korean players had put together a laundry list of conditions and "demands," the U.S. delegate said, including four conditions associated with the DPRK's willingness to give the U.S. assurances on the nuclear issue.

Generally, the USA team judged the requests and demands of the DPRK team (reported in greater detail above) to be inappropriate, considering the current state of affairs and relations on the peninsula as described in the scenario. Some discussion followed on the nature of Team Spirit exercises as a U.S.-only versus ROK-U.S. issue. Players agreed to keep on treating Team Spirit as a purely joint issue—i.e., the natural business of allies (U.S.-ROK).

Continuing to discuss the specific "demands" of the DPRK, especially the demand for economic assistance, the USA team wondered whether it should offer to provide low-level aid conditioned on whether DPRK behavior warrants it. Some players suggested that such aid should perhaps be offered now as a token of good faith or as an incentive to get the DPRK on board with solving the nuclear issue.

Other players requested clarification of DPRK statements and promises about eliminating suspicion on the nuclear issue. Some asked whether the DPRK team understood that it would not get any of the U.S. economic assistance it wanted until the U.S. had been assured of a resolution of the nuclear issues. Team members expressed considerable distrust over the ability of the DPRK to provide such assurances to the U.S.—assurances in which the U.S. could have confidence, that is. The team was doubtful that current assurances would be any different from past assurances, which had not been sufficient.

In the end, the U.S. players decided that their general approach to the DPRK would be as follows: There is nothing new here until you prove it. Live up to your past promises and then we can go forward. Nuclear weapons are bad, and you must keep your promises to live normally in the responsible world of international actors. For the ROK, the U.S. players would add: Don't be fooled. These are still DPRK-born and bred leaders who have taken charge.

ROK-USA Team Consultations

The consultations began with a ROK statement, followed by a U.S. response. Highlights of the opening statement, as well as subsequent responses, follow.

ROK Team Statement. We lack confirmation of the future direction of the DPRK.

The DPRK has declared that it has adopted a new policy of following China's model of economic development and opening up to the outside world.

The current DPRK economic situation is critical.

The ROK must do all that it can to support making a success out of the current changes in the DPRK.

One big issue is: What views does the U.S. have as a result of its assessment of the current DPRK situation?

USA Team Response. We are cautiously optimistic. The current DPRK leadership was raised under Kim Il Sung's regime, but they now have great opportunities to prove themselves as responsible actors.

ROK Team Reply. We can identify other issues of concern:

- First is the question of whether stability will mark the new DPRK government's road toward a more pro-Western orientation.
- Second, how do we ensure they do not become adventurous militarily?
- Third, how can we lead them to change their historical position of posing a military threat to the ROK?
- Fourth, how can we lead them to be a more responsible actor in the world?
- Fifth, how do we get them to abandon the nuclear program?

USA Team Reply. For regional stability, it is in all of our best interests for the current leadership of the DPRK to succeed. Accordingly, they can do this best by

their own actions—i.e., their actions will determine the rapidity with which normalization occurs. At their request, we have communicated with the DPRK at the same low, unofficial level that we always have before, and they have made several “demands” of us. We have not responded to those demands. We do not expect to respond unless and until we see positive actions by the DPRK consisting of genuine good intent. This will be the proof needed for us to begin responding more positively to the DPRK. We agree on the importance, which you noted, of internal stability in DPRK. We note that DPRK stability is critical for regional stability. We ask for your ideas on how to ensure internal stability in the DPRK.

ROK Team Response. We would support elevation of the level of direct U.S.-DPRK communications, with the gradual development of an escalating level of exchanges over time. The general thrust of our ROK team approach is to help the new DPRK government and leadership legitimize themselves in the eyes of their people through improved exchanges and relations socially, economically, and politically. Our objective is to make these new leaders popular with their people. At the same time, the ROK and the U.S. must remain militarily vigilant, with appropriate crisis action/reaction structures to address possible internal instability or crisis in the DPRK.

USA Team Response. We ask that the ROK, during talks with the DPRK, emphasize that the ROK is the determining authority on three of the four conditions, or “demands,” that the DPRK forwarded to us in the recent informal communication we had and reported to you.

ROK Team Response. We appreciate the position of the U.S., especially with respect to the Team Spirit exercises, but we would like you to consider amending, modifying, or canceling these exercise, or otherwise changing their nature, to help us support cooperation and progress with the new leadership in the DPRK.

USA Team Response. Team Spirit is an appropriate activity for allies as long as there is a threat. Even though it is a ROK decision on whether or not to hold the exercise, further discussion would be necessary on this important issue. For perspective, let us ask the question: What has actually changed in the DPRK? Only that two people are dead or otherwise removed from the government. Do not rush to give away Team Spirit just because the DPRK makes an accusation of which the ROK and U.S. are not guilty.

ROK Team Response. Certainly more discussion is needed about Team Spirit. Any changes in those exercises should probably be a private affair between the U.S. and the ROK. However, the ROK views the change in the DPRK as highly

significant. The Kims' disappearance is akin to the loss of a god. The economic situation is terrible, and the new government will face critical challenges to its survival. We should talk more about the trading of a temporary military loss (cancellation of Team Spirit) for a political gain (bolstering up the new DPRK government).

Concluding Comments. Both teams went back and forth on the pros and cons of trading Team Spirit military exercises for political gains in North Korea. There was also further discussion on the notion of raising the levels of talks between the U.S. and the DPRK, to which the USA team responded: Actions speak louder than words. Let the U.S. first see progress in North Korea's actions on nuclear issues, as well as its cooperation with and adherence to existing agreements, then it would be appropriate to consider beginning normalization steps. These statements were followed by brief comments from the ROK team on possibilities for profiting from a political summit between the ROK and the DPRK.

Both teams agreed that there was still much to discuss about arms control and political normalization on the peninsula, but since time was running out for this consultative meeting, further discussion of these topics would have to be postponed.

ROK and DPRK Team Negotiations

The negotiating session began with opening statements from both teams, followed by concrete arms control proposals centered around the issues (from KIDA's paper) raised in the instructions to Move III. As the ROK team suggested, the purpose of this full and formal negotiating session was to present specific opening positions on a potential arms control agreement—i.e., the basic principles for such an agreement, as viewed by each team—and then to have separate negotiating teams at the working level work out details, compromises, etc.

ROK Team Statement. We should begin with an agreement on principles. We already have the Basic Agreement and the Joint Declaration on Denuclearization in place. It is already agreed that there shall be no terrorism or slandering, and that military CBMs should be implemented. There is an arms reduction agreement in place. Working committees have been formed to discuss the details of these basic agreements.

We believe that we should agree in this high-level negotiating session on principles and directions for solving current critical issues. These could then serve to guide working groups in their efforts to hammer out further details in

separate, lower-level sessions. Each of several joint, working-level commissions, in other words, should meet following this session to negotiate the details of an implementation regime, which should be based on the principles we develop here.

We believe the following principles should apply:

1. *The Basic Guidelines for Setting Up an Arms Control Regime (for the Joint Military Commission)*

- Affirming that mass destruction weapons and anti-cultural weapons used for obliterating national peoples are inhumane, both sides, at a very initial phase of negotiations, shall eliminate mass destruction weapons including nuclear, chemical, and biological weapons and long-range missiles with a range above 200 kilometers. Elimination of mass destruction weapons shall be implemented based on an oral agreement between both chairmen of the South-North joint military commission prior to concluding an arms control agreement.
- Conscious of the origin of acute military tension caused by a surprise attack capability against the other side, both sides shall remove major offensive weapons for surprise attack on a priority basis.
- Conscious of the origin of our mutual arms race and of the mutual distrust caused by force imbalances, and having agreed to the implementation of arms control based upon maintaining a force balance, both sides shall pursue equality in number of weapons and troops during and after the process of arms control.
- Based upon the nonaggression pact, both sides shall exchange all military information related to arms control through the Panmunjom liaison office on November 11, 1994, and this data exchange should be accomplished prior to negotiation of arms control measures. Both sides shall implement on-site verification measures, which include challenge inspections of units or places randomly selected by sampling methods.
- Data exchanges should include all relevant information on or about such military details as organization, equipment, weapons of units above regiment or brigade level, and the details should be submitted to the working group of our joint military committee. Both sides reaffirm these principles, initially proposed by the South at the first high-level talks and sufficiently discussed between both representatives at the fourth high-level talks. According to the rules already agreed upon between us, both sides should implement Phase I arms reductions from June 1, 1995, to December 31, 1996. Phase I arms

reductions follow the rule that the side with the highest number in troops, major offensive weapons, and reserve forces should reduce its holdings to the level of the side with the lower number.

- If both sides conform to the sincerest possible implementation of Phase I arms reductions with adequate verification, Phase II arms control shall be implemented starting January 1, 1997; the level and method of arms reduction in Phase II shall be discussed by the Joint Military Commission.
- The Joint Military Commission shall establish and operate a mechanism for taking full charge of verification in order to accomplish the tasks required for effective monitoring and inspection.

2. Implementation of Economic Exchange and Cooperation

(for the Joint Economic Exchange and Cooperation Commission)

- The South-North joint commission for economic exchange and cooperation shall have its meeting in Seoul on November 5, 1994.
- The joint commission for economic exchange and cooperation shall discuss the supply of 50,000 tons of South Korea's rice to North Korea during the next six months, investment in North Korea's Nampo development district, and development of a tourist park and a South-North joint tourist industry around Keumkang Mountain Dam.
- After solving these issues, the joint commission shall set up implementation rules for chapter one of the protocol on economic cooperation.

3. Implementation of Social and Cultural Exchanges

(for the Joint Social and Cultural Exchange Commission)

- The South-North joint commission for social and cultural exchanges shall settle humanitarian issues preferentially until (but by) December 31, 1994.
- For this purpose, both sides shall exchange a group of members to visit their elderly parents as of the lunar New Year's day next year. The visiting group shall consist of 500 members plus an artists' group from each side.
- Both sides shall establish and operate a visiting center at Panmunjom as of March 1, 1995; this should be done by discussing and specifying details such as facilities for visiting, visit processing, the visiting process, etc., until January 1, 1995.
- In addition, both sides shall work out concrete enforcement regulations for chapter two of the protocol on social and cultural exchanges and implement

the right to hear the other side's broadcasting freely, as well as other social-cultural issues.

- Specific enforcement regulations shall be worked out by June 1, 1995.

4. Implementation of the Joint Declaration of the Denuclearization of the Korean Peninsula

- The South-North joint Nuclear Control Commission shall have a meeting at the northern side of Panmunjom on November 7, 1994, and work out the rules for mutual inspections by November 30, 1994, so as to implement the regulations starting January 1, 1995.
- According to the principle of inspections without exceptions, and mindful of the "Joint Declaration of Denuclearization of the Korean Peninsula" regarding inspection provisions, both sides shall affirm that the provision of "inspections of the objects selected by the other side and agreed upon between the two sides" will be applied only in cases of having no suspicion mutually, and that the areas and facilities under the other side's suspicion will be unconditionally inspected, based on the original guideline of abiding by the Joint Declaration.
- The South-North joint Nuclear Control Commission shall work out inspection provisions according to these guidelines.

5. Trial Inspections on Military Bases

- Both sides shall conduct challenge trial inspections whose target locations include North Korea's two military bases around Yongbyon currently under the suspicion of nuclear weapons development by the international community, and South Korea's two military bases designated by North Korea.
- These trial inspections shall be implemented through the South-North Joint Military Commission within a one-month period.
- The Joint Military Commission shall work out the detailed provisions required, such as the size and organization of the ad-hoc inspection team, inspection procedures, inspection timetables, administrative support, etc., within 15 days.

The above is our side's draft of principles or guidelines for agreement. We hope that, according to these guidelines, each joint commission will discuss how to solve concrete problems and produce detailed provisions as soon as possible. If each joint commission continues our discussion here, applying the principle of

mutual reciprocity sincerely and being guided by the above mandate, we believe that all of the issues involved could be solved easily, and both sides could implement the solutions quickly through abundant exchanges of views—even at biweekly meetings if necessary.

In case it becomes necessary to make an adjustment of conflicting views raised in a joint commission meeting, both sides should settle the conflict through working-level meetings or subcommittee meetings. We firmly believe that this proposal will provide the momentum required to open a new era of reconciliation and cooperation between our two sides, and we expect your side's positive response to our suggestions.

DPRK Team Statement. We thank you for making such a fundamental statement. We will now do the same. Today, we are in times that require us to strengthen the unity of our nationalism most urgently. Anticipating that all the important agreements concluded between us so far will now help turn the possibility of implementation into reality, we need to do our best to make these high-level talks bear fruit.

Recollecting the past, we are conscious of having spent many years at these talks, beginning with the first North-South high-level talks up to the 12th round we are having today. During this period, we recognize that we had many difficult times, but we have also made considerable progress thanks to both sides' sincere efforts, and we have provided hopeful expectations for peaceful unification of all people of the Korean nation on both sides. Despite many differences of view between the two sides, we believe that our high-level talks are making progress, gradually, every time.

We, North Korea, showed the international community that we had no intention of developing nuclear weapons by not only having returned to the NPT but also having accepted the IAEA's demand for additional inspections. Now, having cleared up the nuclear suspicions, we believe that dialogue and cooperation on other issues between the two sides should also make progress, commensurate with the progress on nuclear issues. If we, the two Koreas, do not utilize the current environment on and around our peninsula, which is favorable to both sides, we will have thrown away all peoples' desires for peaceful unification, and we will face severe blame from our next generation.

In this regard, we believe that these North-South high-level talks are very timely. They provide an opportunity for both sides to reach agreements based on common sense and to take initiatives to cope with current situations that maintain our national interests. Conscious of the historical significance of this

particular round of high-level talks, therefore, we make the following proposals and suggestions:

1. In guaranteeing nonaggression and national peace, we (North Korea) propose that the Agreement on Reconciliation, Nonaggression, and Exchanges and Cooperation be guaranteed by having it take effect as an international law. For this purpose, you should take any action required, according to your own legal procedures, to turn the agreement into a law. In addition to that, China, Russia, the U.S., and Japan should jointly endorse the new law to ensure that the Basic Agreement is internationally guaranteed. Once these procedures have been completed, then the Armistice Agreement could be replaced with the Basic Agreement.
2. In implementing the reconciliation agreement, the two sides should not slander or vilify each other, as the agreement says. We in North Korea will stop broadcasting vilification against the South from now on, and thus we ask you to implement the corresponding measure.
3. To adjust the status of past military conflicts between the two sides and to comply with the Armistice Agreement, we propose normalization of the Military Armistice Commission.
4. To resolve the issue of long-dispersed families gradually, we propose that both sides discuss concrete realization measures, such as confirmation of life or death, exchanges of letters, home visits of aged persons, and meetings of dispersed families at Panmunjom.
5. To strengthen economic exchanges and cooperation between the two sides, we propose that both sides conclude discussions on concrete implementation measures, such as joint development of tourist resources, a joint investment, and an increase of trade.

The proposals we have raised above can be implemented only in a situation in which the military confrontation between the two sides has settled down. (Otherwise, they cannot possibly be implemented.) In this regard, we have asserted that arms reductions between the two sides should be realized as a first step. As an indication of our sincere faith and effort, we propose highly pertinent measures to enable us to eliminate military confrontation. The measures are as follows.

1. Regarding the Joint Declaration, both sides shall establish inspection quotas of not less than 20 per year, and they will refrain from restricting inspection procedures and methods.

2. Both sides shall discuss CBMs and arms reductions simultaneously. The North is willing to accept specific CBMs prior to conducting arms reductions, so long as those CBMs are helpful for eliminating military confrontation.
3. We suggest the following concrete measures for confidence building:
 - mutual exchange of military data
 - prior notification and observation for military exercises, concentration of units above a certain level, force movements
 - limitation of the area and the calendar quarter for exercises of units above three divisions
 - prohibition on conducting joint maneuvers and exercises with foreign forces
 - making the DMZ truly a peace zone
 - organizing an international armistice supervisory group with the U.S., Japan, Russia, and China being stationed in the DMZ
 - exchange of military personnel
 - hot line between senior military commands as a measure for resolving any contingency.
4. Conscious of the importance of restricting force deployments near the DMZ, each side should not deploy its forces within areas 50 kilometers from the military demarcation line (MDL) on both sides. Additional limitations on force deployment shall be discussed in meetings of the joint military commission.
5. Major principles of arms reduction are suggested as follows:
 - Both sides shall help achieve military balance by the gradual reduction of forces. For this purpose, the North suggests that both sides conduct arms reductions down to 90 percent of the side's holding that is lower than the other side's holding—by weapon types during the initial phase of reduction. The Phase I arms reductions will be achieved within two years from the time both sides have agreed upon them. Once the Phase I reduction process has been successfully implemented, then Phase II will apply a 30 percent reduction to the force levels that both sides reached at the end of Phase I and will achieve this reduction within another three years. The North suggests that both sides should discuss the issue of additional arms reduction.
 - As principles of arms reduction, the North suggests that both sides should undertake

- to reduce troops and weapons simultaneously
 - to reduce active troops up to 550,000 until the end of Phase I
 - to reduce active troops up to 400,000 until the end of Phase II
 - to reduce reserve forces gradually based on mutual agreement.
- Both sides shall not import new military technologies and armed equipment from foreign countries.
 - Both sides shall not develop new military technologies and armed equipments.
 - Each side shall notify its compliance with arms control measures to the other side and conduct inspections.
 - The organization of inspection teams will consist of North and South Korea, China, and the U.S.
 - Both sides shall jointly endeavor to make foreign forces withdraw from the peninsula and, thus, to make the U.S. forces in South Korea withdraw gradually, during phases of the North-South arms reductions.

We expect that your side will positively accept our side's proposals, which reflect the strong desire of all of our nation's people. To this end, we suggest that both sides immediately convene each of the joint commissions we have established and thoroughly discuss all issues raised in these talks.

ROK Team Reply. According to past precedent (e.g., at the end of Move II), let us hold a meeting of representatives from both sides after this one ends to reach compromises between your proposals and ours and to work out details of the various issues in question.

DPRK Team Reply. We agree with you.

ROK Team-DRPK Team Working-Level Meeting

As agreed in the formal negotiating session, working-level delegations from both sides met to iron out compromises on principles and issues raised in the formal session. The DPRK team representatives began this follow-on meeting with a plea for agreement on concrete issues, such as trial inspections of (suspected) nuclear facilities, the details of arms control measures, and specific economic cooperation arrangements and family reunification facilities. The DPRK players reiterated that their country was in an unstable state since the death of Kim Il Sung and the failure to establish Kim Jong Il's regime. North Korea wanted to follow a China-type model of political-economic development, they said, which

meant that they were going to pursue a market economic system while maintaining socialism.

ROK team players responded standoffishly, questioning the legitimacy of the North Korean system and the nature of current changes in the DPRK. South Korean players argued that the North views were still not that much different or newer than before, and they demanded more specific views on Northern political and economic policy—e.g., they asked: What does a Chinese-type model look like?—before committing the South further on specific issues of normalization.

The DPRK team players asked their counterparts to please understand the current situation, namely, that their government had been replaced recently and that, as a result, their position had changed (again, only recently) toward wanting to have an agreement on concrete measures. The ROK players asked for more details of how the North's government had changed. The Northern team players were unable to provide such details. Both groups then decided to end the joint session and refer further discussion of any additional details back to the high-level talks.

Move IV

We ran out of time in Seoul to conduct a fourth move for this game, although such a move had been prepared and had even been executed during the Santa Monica game. Only two and one-half days were available for the game at KIDA, however, and one of the casualties of this shortening of the time schedule (from the three full days originally planned) was the fourth move. This was unfortunate, particularly since the end of Move III in Seoul revealed the need for further high-level negotiations to break impasses between the opposing sides, as well as for more time simply to accustom players to the changes announced for the DPRK.

Following the game, we decided to try canvassing South Korean players from both the DPRK and the ROK teams, through the good offices of KIDA, to see how they might have responded to a further round of negotiations of the kind envisaged in Move IV. We asked these former players to assume the same basic situation presented in Move III, namely, a post-Kim regime in the DPRK. Then we asked them what different positions, if any, the changed political-military conditions might have produced had the teams on which they played been able to negotiate further. For whatever they may be worth, we have summarized the highly impressionistic responses below, under "Team Deliberations."

The introductory scenario for Move IV, which was used in Santa Monica, appears below. The scenario indicates the direction in which game play would have proceeded if there had been more time available in Seoul.

Introductory Scenario

The leaders of the military coup appear to have fully consolidated their position and power in the government of North Korea, and they seem to be working well with the former Prime Minister and his associates. The broad outlines of a new, cooperative international policy for the DPRK show signs of emerging. In the field of arms control, for example, North Korea's leaders have repeatedly proclaimed their interest in transforming their state into a more responsible member of the international community. To this end, the DPRK has re-ratified the NPT and agreed to host the IAEA inspections it refused to accept almost two years ago when it withdrew from the treaty. Furthermore, the North has said that it would agree to a bilateral inspection regime with the South, provided the terms and conditions for such a regime were truly reciprocal.

The DPRK is calling for another meeting of both the North's and the South's Prime Ministers for 15 May as a follow-on to the 15 April meeting (which took place during Move III). The North has declared that it has high hopes of both sides' making significant progress on a wide variety of arms control issues, conventional as well as nuclear, at this next meeting. It also wants to discuss further possibilities for improving economic and political relationships with the South, especially in view of the new military relationships the North says it is now seriously willing to explore through arms control.

Team Deliberations

DPRK Team Players. The responses of the players canvassed from this team made clear that the team's overall goals, as in Move III, were to establish military stability for the sake of peaceful coexistence. More specific responses were organized in terms of the 10 arms control issues raised by KIDA's original background paper on this subject, as follows:

1. Issue: Should nuclear inspections be linked to arms control negotiations?
Reply: We can accept linkage. We are ready to accept South Korea's proposal.
2. Issue: What should the response be to the North's push for a nuclear weapons program?
Reply: We can accept challenge inspection to resolve nuclear issues, which is the last concession to be made here.

3. Issue: Should CBMs be linked to arms reduction talks?
Reply: We can accept implementation of CBMs first, which is the last concession to be made on this issue.
4. Issue: What are the components of military parity?
Reply: We want the same number of equipment holdings as the ROK, but we want to include helicopters as a major category or item of equipment.
5. Issue: What arms reductions methods should be pursued?
Reply: Refer to our speech above, in the closing negotiations for Move III, which contains our reductions proposals.
6. Issue: What should be the target of arms reductions?
Reply: Equipment, and also personnel appropriate for that equipment.
7. Issue: Should an LDZ be established?
Reply: We can accept South Korea's proposal on the condition that South Korea pays the moving expenses for the relocation of North Korean forces. But we do not want to dismantle weapons. Rather, we want to store weapons in special places.
8. Issue: How should LDZ implementation be scheduled?
Reply: We can accept some CBMs before conventional arms reductions, but we prefer simultaneous implementation of both. We do not accept asymmetric LDZs. Our LDZ proposal (a 50-kilometer zone on both sides of the DMZ) is just serving as a bargaining chip. We know that South Korea does not accept our proposal since Seoul would not be secure under our proposal.
9. Issue: What kinds of verification means should be employed?
Reply: We can accept on-site and open-sky inspections, but we cannot accept residential inspection (i.e., inspectors permanently located on our territory). We would like to use airplanes for open skies. We do not have much in the way of National Technical Means (NTM) anyway. However, South Korea has NTM already. Therefore, open-sky inspection does not affect our security too much.
10. Issue: Who should participate in inspection agencies?
Reply: South Korea, North Korea, the U.S., and China.

ROK Team Players. South Korean players canvassed during our postgame exercise responded to North Korea's proposals from Move III and said they would have negotiated in Move IV on the following basis:

1. If North Korea accepts our proposal to implement CBMs first, then we can negotiate arms reduction issues. Those CBMs to be implemented first should include the following measures:
 - information exchange
 - observation of military exercises
 - inspection regime
 - prior notification and control of large-scale military movements and military exercises
 - peaceful utilization of the DMZ.
2. Basically, we can accept the North Korean method of arms reduction (proposed in the inter-team negotiations at the end of Move III) if both sides implement the CBMs listed above and the South has reason to believe that the implementation works well.
3. We cannot accept the North's proposal to make a buffer zone around the DMZ to a depth of 50 kilometers on both sides. Instead, we would like to implement an LDZ in the way we have proposed, i.e.,
 - We must provide for the capital of each country to be secure.
 - We suggest an asymmetrical LDZ, because Seoul is too close to the DMZ.
 - If North Korea accepts this proposal, we can pay moving expenses and provide economic aid to North Korea.
4. We do not accept either withdrawal of USFK or a prohibition against developing new military techniques because it is very difficult to inspect and verify such prohibitions.

Overall Review and Wrap-Up Session

The Control team began this concluding session of the Korean Arms Control Game by presenting several briefing charts intended to summarize both the development and the results of the game from the Control team's perspective. The first briefing chart was entitled "Impressions of Move I." It made the following points in both English and Korean:

- **Review of Move I**
 - Purpose: To Force Reconsideration of Current Positions via Surprise, Provocation, Emotional Involvement.
 - Scenario: Worst Case. A Plausible Nuclear Crisis Set in the Not-too-Distant Future.
- **Major Issues Expected to Arise**
 - Potential Limits on the Range of Carrots or Sticks Applicable in a Clearly Dangerous Situation.
 - Indications of the Relative Importance of Crisis Conditions to the Various Regional Powers.
 - Nature of the Interactions Among Regional Actors When Confronting a Nuclear Crisis.
- **Team Moves and Perspectives**

After reviewing these points for the assembled players, and making the observation from the Control team's perspective that the move had clearly demonstrated the limited set of options for influencing DPRK decisionmaking available to the ROK and the USA teams, the Control team called on each of the teams, in turn, to express their views of Move I.

ROK Team Views of Move I

The ROK team said that it had felt the need during this move for greater understanding, via the scenario, of whatever developments had supposedly occurred during the one-and-a-half years between the present day (April 1993) and July 1994, when the move took place. More specific details should have been provided in the scenario; less should have been left to the imagination.

Once the move began, the team's principal worry, players said, was whether the USA team would be pushing the ROK team toward military options as a way of coping with the crisis caused by the DPRK's imminent acquisition of nuclear weapons and their means of delivery. To the ROK team's surprise, this did not

happen. Instead, the USA team questioned its own intelligence, as reported in the scenario; unexpectedly downplayed the crisis; and argued for giving it more time to play out, for recognition of the limits on economic leverage in this particular situation, and for diplomatic efforts above all else.

The ROK team decided that the main issue in Move I was how to change the Chinese position on potential nuclear proliferation by the DPRK. It noted that Japan was not all that active a player in the crisis conditions established by this move; the ROK team seemed to agree that this was to be expected, since it found the Japanese hard to engage on these issues. By contrast, they found the Russians highly engaged. They also agreed that U.S. initiative was critically important in a crisis scenario of the kind that Move I presented. The international situation would be key to such a crisis, not bilateral relationships between the ROK and the DPRK. The team differed within itself and with the U.S. over the value of economic sanctions against the DPRK as a response to the situation.

USA Team Views of Move I

The USA team observed that it did not play Move I as a U.S. team might have been expected to play because team members came to KIDA prepared to participate in a conventional arms control game, but, to their surprise, Move I focused on nuclear issues. Most U.S. players were neither ready nor willing to deal with such issues in a gaming context, given their expectations that conventional arms were supposed to be the focus. Moreover, they had not linked conventional arms reduction issues to the nuclear issue in this way before; the scenario forced the USA team to take position on issues for which no U.S. government policies had been decided yet, and players felt uncomfortable trying to come up with such positions. Hence, the policies enunciated and the positions taken during this move should not be viewed as in any way representative of what the U.S. government might do in comparable circumstances, players said. Rather, they indicated, the team's response to this move should be interpreted as a form of scenario rejection.

DPRK Team Views of Move I

There was some confusion among North Korean players with regard to the exact interpretation of their NPT status in Move I. The introductory scenario had not specified clearly whether North Korea had actually withdrawn from the NPT in 1993. The Control team eventually clarified this issue by saying that the DPRK

had not yet withdrawn from the NPT, in fact, and that by July 1994 North Korea had rescinded its original statement of withdrawal.

The DPRK team said it had concluded from the Move I scenario that the cards were in North Korea's hands. The international community would be strong in its opposition to what the DPRK was doing with its missile and weapons developments. Nevertheless, the DPRK team believed it could convince the community (e.g., China, Japan, Russia, and even, to some extent, the ROK) that it wanted to play fair. The DPRK team said it tried to plead this case with the international community by arguing that North Koreans were not bad guys but, rather, victims of false intelligence reports put out by the U.S., which was responsible for any problems. As a team, the DPRK players wondered whether real North Koreans would have played the move this way.

Chinese Team Views of Move I

The China players said that the Move I scenario seemed unrealistic at first because it appeared to assume that China would not have known much earlier on about the DPRK having developed nuclear and missile capabilities. Nevertheless, the issues raised by the move reinforced current Chinese positions on the counterproductive nature of UN sanctions against North Korea and the need to find ways for the DPRK to back down from any planned proliferation of nuclear weapons or delivery systems while still saving face.

Japanese Team Views of Move I

The team of experts playing Japan remarked that, on the whole, Japan was ignored during this move and throughout the game, except when someone needed money. The Japanese experts noted, however, that this was realistic behavior on the part of the other teams and something to be expected in the world today, as well as in the conditions set by the game's scenarios. These were focused very heavily on nuclear and missile issues. Japan, the experts contended, would have gone far to address and resolve those issues. The Japanese team even discussed the use of force by Japan if North Korea obtained nuclear weapons and the means to deliver them. The experts surprised even themselves at how far forward in this regard their team was. They were also surprised, they said, at how important the role of the U.S. is in this process.

Russian Team Views of Move I

The Move I impressions of the team of experts playing Russia were as follows: First, these experts agreed that Russia needed to be seen as playing an important role in the region, even though they acknowledged that China would be the key player in any crisis of the kind envisaged in the move. Second, the Russian players sought to impress upon the other teams their view that, in such a crisis, Russia would make sure to link the proliferation of nuclear weapons by the DPRK on Russia's eastern borders with the potential proliferation of nuclear weapons by Ukraine on Russia's western borders.

The Control team then presented its second briefing chart entitled "Impressions of Move II," which contained the following points:

- **Review of Move II**
 - Purpose:
 - To Refocus on Current Positions in Light of Worst Case Possibilities Raised by Move I.
 - To See Whether Arms Control Has a Role to Play.
 - Scenario: Present-Day Conditions.
- **Major Issues Expected to Arise**
 - Hoping to See New, More Creative Positions and Development of a Broader Set of Options (e.g., Diplomatic, Economic, etc.).
 - Relative Worth of Arms Control in a Reconciliation Process.
 - Potential Changes in Dynamics/Relationships Within Region.
- **Team Moves and Perspectives**

Leaders of the Control team observed that that team had been skeptical beforehand about whether Move I, even if it had had its intended effect of jarring the players into reconsidering current policy options, would actually produce new or different policy choices in Move II.

To the Control team's surprise, however, the various teams appeared to have responded fairly creatively to Move II. They gave serious consideration to the possibility of using conventional arms control mechanisms, such as the bilateral inspection regime already proposed for the ROK and DPRK, to help back the latter out of a corner ("save face") and solve the suspected nuclear site problem in North Korea. Furthermore, they continued playing out Move II in search of more specific details on how to resolve this problem, notwithstanding the

Control team's attempt to move the teams and the scenario along in time in order to begin playing Move III.

ROK Team Views of Move II

For the ROK team, players pointed to the importance of informal ROK-U.S. consultations in Move II prior to the formal ROK-U.S. bilateral meeting scheduled for that move. Move I had taught the ROK team that prior consultations with the USA team might help alert both teams in advance of any unexpected positions being taken by either one of them. Such consultations would also fill the need for close cooperation between the ROK and the U.S. The game, however, did not necessarily allow time for sufficient consultation with other regional powers.

From the South Korean team's perspective, Move II also demonstrated their differences with the USA team over which team was more cautious, calculating, cool (in the sense of aloof), accommodating, etc., in dealing with the DPRK. South Korea's domestic political environment, ROK players argued, caused them to be more cautious vis-à-vis North Korea than they expected the U.S. would be. On the Team Spirit exercise, for example, the ROK was willing to suggest the possibility of a quid pro quo deal with the DPRK, but the USA team was not.

The ROK team disclosed, moreover, that it was consulting and holding secret meetings with DPRK team members during Move II. The main purpose of these meetings was to come up with a face-saving way for the DPRK to get itself and the region beyond current nuclear issues and problems. One of the ideas hit upon was to use CBMs and other arms control measures (i.e., bilateral ROK-DPRK inspections already agreed upon in principle within the 1991 Reconciliation Agreement) to disguise potential solutions to the nuclear problem created by the DPRK's refusal to allow special IAEA challenge inspections of suspected facilities, which the DPRK claimed were military facilities and, thus, off limits to the IAEA.

USA Team Views of Move II

The USA team issued a cautionary warning about any lessons about arms control to be drawn from the extended Move II experience. Noting that many people were ready to latch onto arms control as if it were just another useful device in a well-stocked tool box, U.S. players observed that arms control does not just happen—as if arms control negotiations and agreements were operating in a political vacuum. On the contrary, for arms control to have any real utility, the

political atmosphere must first be right, and the right kind of atmosphere for arms control is one characterized by political accommodation.

Since arms control affects the interests of both sides in an adversarial situation, compromise is required to make it work, and compromise is impossible in situations lacking any real basis for political accommodation, USA team members continued. Hence, it was not surprising to the USA team that in Move I, arms control played no role in attempts to solve the nuclear crisis.

The ABM treaty between the U.S. and the former USSR in the early 1970s, on the one hand, did provide an example of an arms control measure that came forth during, and was used to avert, a kind of nuclear crisis. But it represented more of an exception than the rule. The CFE agreement, on the other hand, exemplified an arms control agreement that evolves step-by-step with political developments. In the CFE case, and presumably most others as well according to the USA team's presentation, arms control followed—it did not lead—the process of political accommodation.

DPRK Team Views of Move II

Spokespersons for the DPRK team explained that, during Move II, the North Korean players had tried to put out feelers to the USA team to see if it could make some sort of a quid pro quo deal on the nuclear question, but these probes had been rejected. The Control team then explained to both teams the problem of misinterpreted communications that had occurred between them during Move II.

The DPRK team then noted that, also during this move, China had set long-term but ultimate limits on how far it was willing to go in protecting North Korean nuclear efforts against international sanctions. The North Korean team knew that it needed time to consolidate its developing nuclear program. The Chinese team had indicated to them that sufficient time might not be available. Once they received that message from China, the DPRK players realized that their nuclear days were numbered, and they shifted their strategy and tactics toward trying to get the best possible deal they could in exchange for the incipient nuclear weapons program.

The DPRK had tried to find a way out of its security and nuclear dilemmas through conventional arms control possibilities, which it sought to develop directly with the ROK in view of what it took to be a lack of interest by the USA team. Hence, the DPRK and ROK began extended explorations in Move II of how to use bilateral inspections, which both sides had already accepted in

principle under their Reconciliation Agreement, to solve the problem posed by special IAEA challenge inspections of DPRK "military" sites.

Chinese, Japanese, Russian Team Views of Move II

Like the Chinese team, the Russian team had also been instrumental in bringing the two Korean teams into their extended dialogue near the end of Move II. The Russian experts had originally raised the question of whether there might be some "formula" to help resolve the nuclear inspection issue. They had suggested that third-party Chinese inspections of DPRK facilities might provide such a formula. The Korean teams themselves came up with the ROK-DPRK alternative and even suggested that U.S. representation might be included on the ROK side as part of a special "test" of the bilateral inspection provisions to which both parties had previously agreed. The Japanese team was largely ignored during this move.

The Control team then presented its third briefing chart, entitled "Impressions of Move III." The chart drew attention to the following points:

- **Review of Move III**
 - Purpose: To Identify the Arms Control Issues and Options That Arise When Serious Negotiations Become Possible.
 - Scenario: Changed Political Conditions (e.g., Removal of Current DPRK Leadership).
- **Major Issues Expected to Arise**
 - Broad Outline of Potential Conventional Arms Control Deals.
 - Trade-offs Between or Among Various Arms Control Options.
 - Potential Changes in the Dynamics and the Relationships Among Regional Powers.
- **Team Moves and Perspectives**

In briefing the points on this chart, the Control team advanced the argument that conventional arms control possibilities for the Korean peninsula cannot credibly be postulated or dealt with usefully without some understanding of the specific set of circumstances—the particular situation—in which conventional arms control agreements might actually be concluded. Hence, the Control team had sought to create just such a credible set of circumstances in Move III, through a scenario change involving removal of the Kims, father and son, from leadership

of the DPRK and substitution of a pragmatic, military, China-oriented junta in their place.

ROK Team Views of Move III

ROK players noted that their team's most important concern during Move III was the future stability of the new DPRK regime. The ROK had engaged, as in Move II, in prior consultations with both the Chinese and the USA teams even before the formal ROK-U.S. bilateral meeting. In the course of these consultations, the ROK had learned that the Chinese, in particular, were showing support for the new DPRK regime.

The ROK team then adopted, as its own objective, the desire to prevent domestic turmoil in, and find ways to help, the new DPRK regime. It had sought to work with the USA team in pursuit of this objective but soon realized that there was not all that much the U.S. could really do, given the limited role the U.S. has played historically with regard to economic development in the DPRK. The ROK team cited the need to be cautious and not to demand abrupt changes in the DPRK under its new leadership.

USA Team Views of Move III

The USA team acknowledged that political accommodation with the new regime in the DPRK would mark the beginning of the kind of political change required for arms control. The U.S. players had decided, therefore, that they would begin engaging in economic aid to the DPRK for humanitarian purposes, even though North Korea's ruling regime was still a communist one whose origins were suspect. The USA team had also noted that the ROK team, during its various bilaterals with the U.S., was more eager than the U.S. players to normalize and improve relations with the DPRK. The U.S. players wanted to see more in the way of actions than words before proceeding too far in the direction of normalizing relations with the new DPRK leadership.

DPRK Team Views of Move III

For its part, the DPRK team said that in contrast to Move II, when unification on the DPRK's own terms still seemed possible, Move III created a situation in which the prime concern was saving the communist system as a discrete national entity—not unification on North Korean terms. This led the DPRK team to new goals and objectives, such as preventing ROK conventional arms from

dominating those of the DPRK and using DPRK conventional arms as bargaining chips for gaining concessions from the South. The new political situation also prompted the DPRK to seek normalization of its relations with the U.S. and Japan.

The Control team then briefed its last chart, which was entitled "Overall Impressions of the Game." That chart contained the following observations:

- **First Day, First Move Proved to Be Highly Challenging, but Useful.**
- **Obviously, Not Enough Time Available to Play out All the Consequences of All the Moves (e.g., Move II).**
- **Regional Experts Provided Useful Catalysts and Perspectives for Deliberations of Three Main Teams.**
- **Complexity of Gaming Format Proved to Be Difficult—but Not Impossible—to Control.**
- **New Ideas Emerged During Game Play That Could Lead to Policy-Relevant Decisions by Governments.**

On the last point, the Control team added the explanation that some of the ideas being developed by the ROK and DPRK players—specifically, during their impromptu extension of Move II beyond the point at which it was scheduled to conclude—had seemed to show promise. That is why the Control team permitted this extension of the move to continue. (The Control team explained again that both teams were using the move to explore additional details of the concept for using ROK-DPRK bilateral inspections to solve the North's IAEA inspection problems.)

On the first point above, the Control team also argued, in defense of its decision to focus attention at the game's outset on a scenario dominated by nuclear weapons, that the potential outcome of the nuclear issue on the Korean peninsula—i.e., whether and how the issue might be settled—was critical to any credible understanding of how conventional arms control problems might be solved. The Control team suggested, moreover, that if the ROK, the U.S., and other regional powers used up all of their bargaining chips in getting the DPRK to abandon its nuclear aspirations, there might not be additional negotiating leverage available for addressing conventional arms control issues of interest.

USA Team—Overall Impressions

Players on the USA team argued that the game should have started with the scenario for Move III and should have focused exclusively on conventional arms control possibilities. The whole world was looking at DPRK nuclear and IAEA inspection issues, they contended. This game should have made use of the unique opportunity available to it to disregard the nuclear issue in favor of conventional problems, to which no one else was paying serious attention right now. Conventional arms control issues should be taken seriously and should be gamed on their own terms because, when a political change does come in the DPRK, it will be necessary to deal with the DPRK on those issues, and we need to be prepared.

ROK Team—Overall Impressions

For the ROK, team representatives contended that it is impossible to go anywhere with conventional arms control issues without some resolution of the nuclear issue. ROK players said that the game could usefully have spent more time on how to deal with the nuclear issue. We need more study of that issue as well as conventional arms control problems, team members observed, not necessarily more games.

DPRK Team—Overall Impressions

The DPRK team said that it had concluded from this game that the DPRK could not really be brought to the table to negotiate seriously about conventional arms control without the kind of dramatic, regime-changing developments postulated in Move III. Short of such developments, no conventional arms control agreements were going to be possible. Hence, the details of such agreements (an opportunity for exploration of which this game had missed, according to the USA team) were not as important as the political-military aspects of the Korean situation that were dealt with in this game.

Control Team Summation

In wrapping up the discussion, Control team leaders suggested that USA team members might be selling the game just conducted too short. Much had been learned about conventional arms control possibilities under different political-military scenario conditions, even if game time had also been devoted to exploration of the potential interrelationships between current nuclear and future

conventional arms control issues. The Control team also argued that the composition of the playing teams, which included nonmilitary as well as military representatives of government agencies, dictated that any game being played with such players avoid focusing too exclusively on the details of hypothetical conventional arms control agreements.

The Control team echoed ROK team members, however, in their conclusion that what was called for now was not more gaming of the conventional arms control issues per se. Disagreeing to some extent with the USA team's argument for a strictly conventional arms control game, the Control team nevertheless accepted the argument that more study of the game's conventional arms control dimensions was required. The game had, after all, addressed those issues to a considerable extent, albeit incompletely given the time constraints. Through subsequent analysis, the Control team concluded, the game's results could and should be mined further for the additional conventional, as well as the nuclear, arms control insights they might yield.

B. Game Plan for Korean Arms Control Game in Seoul, ROK, April 7, 8, and 9, 1993

Purpose

To explore, in the dynamic give-and-take setting that political-military gaming can provide, various arms control possibilities for the Korean peninsula. We do not know whether any arms control agreements can actually, at this or some future point in history, be concluded between the two Koreas, nor can we do any better at present than guess what form any such agreement might take even if one could be negotiated. We intend to use political-military gaming, which will employ knowledgeable players and, in the case of the ROK at least, some decisionmakers, as a methodological device to help indicate where, once launched, an arms control negotiating process for Korea might lead.

Scope

The game will be set in the not-too-distant future and will assume at the outset that current leadership structures on both sides provide the basic political-military backdrop. It will consist of four "moves," each of which will culminate in a formal, face-to-face negotiating session between representatives of both the ROK and the DPRK teams. In addition to those two teams, there will also be a U.S. team and a team composed of experts representing and playing the role of other regional powers—i.e., Russia, Japan, and China. Two of the four moves will be set in the near-term future, with little or no change in current national leaderships or regimes envisaged. The remaining two moves will be situated farther out in the future and characterized by changed conditions.

Teams

There will be an ROK team consisting of 7 to 9 players drawn primarily from ROK government officialdom. The same number of players will also compose the DPRK team, which will be recruited in part from the ROK's intelligence community. A U.S. team of approximately seven players will be formed mainly from U.S. officials resident in the ROK (e.g., at the embassy and the Combined

Forces Command). KIDA will have at least one representative on each of these teams. A fourth team will consist of regional specialists representing Russia, Japan, and China—one specialist for each country to be provided by RAND and another by KIDA. This team of regional specialists will be appended to the Control team, which will be staffed by RAND, KIDA, and CAA personnel.

Each team, as well as the regional experts, will consider its players to be members of the national security council, or its equivalent, for their particular country. It is not necessary, for game purposes, for players to be identified with specific positions (e.g., President, Secretary of State, Defense Minister, etc.), although the individual teams may decide to differentiate among their players in this manner. From the perspective of the Control team, it is important that the ROK and DPRK teams, and probably the U.S. team as well, designate team leaders (chief spokespeople) for the formal negotiating sessions.

Background

The starting points for this game are the current arms control positions that have been publicly announced by both the ROK and the DPRK. In addition, KIDA has prepared an issues paper on arms control that will serve as the primary starting point for these two teams' deliberations. The issues addressed in the KIDA paper are as follows:

- Whether to link nuclear inspections to conventional arms control negotiations
- How to respond to a DPRK push for a nuclear weapons program
- Whether to link confidence-building measures to arms reduction talks
- How to determine the components of military parity
- Whether and how to establish phased arms reduction methods
- What should be the target of reductions, personnel or armaments or both
- Whether to negotiate any limited deployment zones
- When and how to implement any limited deployment zones
- What kinds of verification means to employ
- Who should participate in any arms control inspection agencies
- Which other confidence-building and arms reduction measures to include.

During a meeting at CAA in February, KIDA representatives were encouraged to distribute their paper to game participants as the basic read-ahead for the event

in Seoul. At the game itself, copies of the paper should be made available to participants if any have not received copies beforehand. However, the particular issues in the paper that players will be expected to address (i.e., those listed above)—and the specific formulation of those issues for game purposes, which may vary from team to team—should be presented to the players at the outset of individual moves in a formatted document prepared in advance by the control team.

Moves

Move I

In preparation for this move, the various teams will meet separately. For the move, each team will *not* receive from the Control team the formatted document noted above but, rather, an opening scenario notifying the players that a crisis exists on the Korean peninsula. The scenario will be set in early or mid-1994. It will imply strongly that the DPRK has just acquired not only some nuclear weapons capability but also a medium-range ballistic missile delivery system, which can threaten both South Korea and Japan from the northern part of the DPRK. The players' first task, therefore, will be to deal with this crisis. The ROK and the U.S. teams will be asked to develop their own policy responses to the developing crisis in preparation for a joint session between the two teams, aimed at forging a concerted policy.

For its part, the DPRK team will be asked to deal with further development of the crisis in ways that it might expect the DPRK itself to act under such circumstances. Like its counterparts, the DPRK team will not be provided with a foreordained outcome to the crisis but, simply, with the fact of a crisis. The goal is to see how all three teams, individually and collectively, attempt to deal with the crisis and whether the crisis itself promises to escalate, deescalate, or produce a kind of stalemate as a result of their efforts. The climax of Move I will be a meeting between representatives of both the ROK and the DPRK aimed at seeking resolution of the ongoing crisis through face-to-face negotiations.

During its preparations for this negotiating session, the ROK team will meet formally with the U.S. team at least once to exchange and coordinate views and positions on issues in the crisis, especially as these issues might relate to the presence or use of U.S. forces in Korea. The formal U.S.-ROK meeting will also be conducted as a negotiating session, with the two teams facing each other across the table, prior to the ROK's move-concluding session with the DPRK.

Meanwhile, the other teams, including the U.S. when it is not negotiating with the ROK, will be encouraged to engage in bilateral diplomatic exchanges focused on influencing the developing DPRK position. Such exchanges should include individual visits by regional experts to the DPRK and other teams. The form that such bilaterals should probably take is, first, a request to the Control team for a visit; second, notification (by the Control team) of the team to be visited that a request has been made; third, acceptance (or rejection) of the request by the team to be visited; and, finally, commencement of the bilateral meeting. In other words, all communications between teams will pass through the Control team; this is to facilitate orderly gaming and record keeping. The regional experts will be working throughout the crisis to advance the interests of the countries they represent, as the experts see these interests (e.g., crisis control and prevention of escalation seem likely to be the prevailing interests in most cases, but attempts to gain an advantage through crisis escalation are also possible).

The expectation for this move is that, with the exception of the DPRK, all other teams and players will begin searching immediately for policy mechanisms and political-military inducements by which to deescalate the scenario's crisis. It is simply unclear, however, which way the DPRK might go under the circumstances. With no foreordained outcome for its team to expect in this case, the move becomes an exercise in seeing whether the DPRK will prove responsive to deescalatory carrots and sticks and, if so, which ones seem most promising. An ancillary question being asked during this move, therefore, is whether any crisis management devices can be invented on the spot—as opposed to having been negotiated and implemented in advance—sufficient to justify hopes for controlling the crisis.

The formal ROK-DPRK meeting at the end of Move I will probably reveal that, officially, the two sides are still far apart. Some give-and-take may both precede and follow this formal session. The shock effect of the crisis could help produce some sort of "back-from-the-brink" movement toward deescalation. To give such possibilities a chance to unfold, additional time should be allocated following the formal meeting to further assessments by the various teams of how grave the crisis appears to be, where they currently perceive their interests in it to lie, and what they might do next.

Nevertheless, the most likely outcome to expect from this move is one in which no resolution of the crisis arises. Instead, team interactions tend to promise, at best, only a continuation of existing tensions and anxieties—and a dangerous escalation is even possible—if events stay on their current course. Such a move outcome may be desirable from the point of view of succeeding moves. One objective of both the initiating scenario and the Control team, in fact, will be to

maintain a sense of crisis, anxiety, foreboding, and imminent catastrophe throughout this first move, keeping it uppermost in the minds of the players as they make the transition from Move I to Move II.

Move II

This move will incorporate a "back-to-the-present" feature that characterizes such other RAND gaming exercises as the "Day After" series conducted for Project AIR FORCE. Instead of jumping forward in time (as even the "Day After" games do for their second move), this game will jump backward toward the present (as "Day After" games do in their final move) and set its Move II scenario at or near real time. If developments flowing from the DPRK's abrogation of its membership in the nuclear Non-Proliferation Treaty (NPT) have not stabilized by the first week in April, it may be necessary to place the scenario in the not-too-distant future and have it "solve" certain nagging problems (e.g., whether the DPRK can be induced to remain a member of the NPT regime).

In any event, the reason for setting the scenario back in the present is to give the players a "second chance," of sorts, to avoid what they now know the future holds, namely, a dangerous crisis. The hope is that fresh memories of their attempts to deal with that crisis in Move I will help motivate and focus the players' efforts in Move II to avoid future danger by addressing constructively the issues in KIDA's arms control paper. Knowing what is to come if they do not act constructively now, it is expected, should increase players' interest in, as well as the chances of, positive movement on these issues.

To increase the chances of further movement, the scenario for this move should postulate at least some positive development on the nuclear inspection issue. Since that issue could prove to be a show/game stopper, if (as now) it becomes the sine qua non for progress on any other issues in the game, the opening scenario should indicate that some movement on the part of the DPRK has occurred. DPRK agreement to a mutual ROK-DPRK bilateral inspection of questionable facilities might be such a development. It could conceivably be justified and made to appear credible on the grounds that, unlike the IAEA's first-ever call for challenge inspections, which the DPRK says would discriminate against it, ROK inspections on a quid pro quo basis are more equitable, hence acceptable.

In playing out Move II, the various teams will begin by meeting separately. Their first task will be to review and discuss the issues (outlined above) from the KIDA paper, with a view toward developing and formulating a team position on each of these issues. In the case of the fourth (regional experts) team, the task

will be for the different experts to get familiar with each of the issues and decide whether the country they represent would have strong views on any of them. The ultimate objective of Move II is for both the ROK and the DPRK to present their initial negotiating positions on each of these issues to each other in a formal session, with representatives of both sides facing each other across a negotiating table and with the other players looking on, but not participating, around the sides of the room.

During its preparations for the formal negotiating session at the close of Move II, the ROK team will meet at least once with the U.S. team to exchange and coordinate views on the ROK position with respect to the arms control issues in question, especially as these issues might relate to the presence of U.S. forces in Korea. This U.S.-ROK meeting will also be conducted as a formal session, with the two teams facing each other across a table, prior to the ROK's ultimate negotiating session with the DPRK.

Meanwhile, the regional experts will be meeting bilaterally with the DPRK team, as may U.S. representatives when they are not otherwise occupied with the ROK, to see what political, economic, or military inducements might be offered to produce movement on the issues. The regional experts will also be encouraged to meet bilaterally with the ROK and the U.S. teams prior to their joint session.

Reasonable expectations for this move are that some progress on other than nuclear arms control issues will emerge. The hope is that such progress can be maximized through the efforts of the regional powers, whose interests are presumed to lie in providing political, economic, and security enticements that help produce concessions and compromises on outstanding issues.

It is probably unreasonable to expect agreement on conventional force reductions by the end of this move. Instead, one would expect some indication of whether arms reductions stand any chance of being reached through the negotiating process or whether another approach (e.g., confidence-building measures without reductions) seems more promising. This expectation is especially strong in view of the once and future crisis, remembered by the players from Move I, and the possibility that confidence-building mechanisms negotiated and implemented soon might help ameliorate some of the dangers posed by such developments in the future.

Move III

If expectations for the first two moves hold true, this move will require a major change in the basic political-military scenario for significant progress on arms

control to have a real chance of occurring. A regime change in the DPRK, which somehow removes Kim Il Sung from power, seems the most promising scenario development. It has the advantage of calling into question over 40 years' worth of DPRK history, as well as U.S. and ROK policy planning assumptions. Short of outright unification, the DPRK under a successor regime could conceivably move in any number of directions—even toward more accommodating positions on arms control. One objective of the game, in fact, should be to explore what it might take to move a new, unsettled DPRK regime in this particular direction.

Based on the course of game play through Moves I and II, the Control team will have to decide before the beginning of Move III, whose scenario will be set temporally in early 1995, how to handle the outcome of the crisis introduced in Move I. One option is for the controllers to stick with the history of the two previous moves, as played, but provide some scenario-based resolution of the original crisis thanks to arms control—an explanation sufficient to satisfy player curiosity over how further developments have brought them to the beginning of Move III.

The format of this move will remain the same as in the previous two moves: separate team meetings, followed by various bilaterals, culminating in a formal ROK-DPRK negotiating session. One would expect increased or intensified activity during the bilateral meetings, as well as in the individual team meetings. The regional powers should be trying harder than ever, for a variety of different motives (including, in some cases, apprehensions about Korean unification), to convert a potential challenge to the political-military status quo on the peninsula into an opportunity for increasing stability through arms control.

Whether either of the two Korean teams will be more, rather than less, inclined to favor such an approach under the new circumstances remains unclear. The main objective of this move, in fact, is to see which way they might be tempted to go with arms control. Both teams are expected to spend considerable time and effort in their individual deliberations adjusting to the new political-military reality of a regime change in the North.

The DPRK team should probably be told, simply, that Kim has succeeded his father (rather than some more complicated succession saga), and that a policy characterized by somewhat greater openness, in evidence already on the nuclear issue, had been apparent even before the father died. Beyond that, the DPRK should be allowed to play as freely as possible, with a minimum of direction from the Control team. One other goal of this exercise is to see how ROK intelligence analysts, left to their own devices, will interpret (and then act out) the behavior of DPRK leaders under different conditions.

Move IV

In this final move, if game play thus far has not propelled the teams toward agreement on at least some of the arms control issues involved, the control team should apply additional scenario-altering inducements to spur progress. For example, one or both teams could be given to understand that the DPRK has abandoned any hopes for a nuclear weapons capability and has decided, for a variety of reasons, to cut as good a deal as it can get on conventional arms with the ROK. The objective of this last move, therefore, would be to see how far the two sides might be prepared to go, short of actual unification, if a genuinely serious negotiating policy were to be adopted by the DPRK.

In all the preceding moves, it was left open, and at the discretion of the DPRK team, how far that team might actually go with arms control. If the team members decided to stonewall on most of the outstanding issues, they could; lessons would be drawn from that. In Move IV, the DPRK will be induced—even directed, if necessary—through further scenario changes by the Control team to search for some sort of accommodation with the ROK, which will not be subjected to similar pressures. The objective here is to see whether, under the best possible conditions, arms control agreements might be feasible and, if so, what such agreements might look like.

The format of this move is the same as that of the others. The move can presumably be run in less time than its predecessors, since by this time in the game, players should be both thoroughly familiar with its mechanics and accustomed to the major scenario change that occurred in Move III (the removal of Kil Il Sung). One hypothesis is that, during this move, both teams will search in earnest for compromises on the outstanding issues and that the rough outlines of a possible arms control agreement between them will emerge. An equally plausible hypothesis, however, is that even if the DPRK begins to search for compromises, the ROK will resist, not only because of lingering suspicion of the DPRK's motives but also because of its own steadily declining interest in such arrangements. By Move IV, if not before, the ROK may no longer see the need for arms control agreements with a counterpart that appears likely to grow increasingly inferior, or collapse, in the not-too-distant future.

Immediately following conclusion of the formal ROK-DPRK negotiating session signaling the end of Move IV, all of the players, experts, and members of the Control team will assemble to review the history of the game. The Control team will present its perspective on each move, as it unfolded, and invite the various teams and players to add theirs. In summing up, the Control team will venture to suggest, on a preliminary and tentative basis, lessons or insights gleaned from

the game. The controllers will solicit comments and criticism of these insights from the players, as well as provide time for players to hold forth with their own contributions in this regard. The wrap-up session will conclude with a traditional request for suggestions on how the game might be improved in the event that it were to be played again with different participants, in Seoul or elsewhere.

Schedule

Wednesday, April 7, 1993

- 09:00 - 09:30: Reception—Identification and Introduction of Teams and Players
- 09:30 - 10:00: Plenary Session I—Introductory Briefing on the Game
- 10:30 - 12:00: Team Deliberations — To Decide Positions on Each Issue (KIDA Paper)
- 12:00 - 12:30: Inter-Team Contacts—Bilateral Meetings Between Regional Powers (China, Russia, Japan) and ROK, DPRK, and U.S.
- 12:30 - 13:30: Lunch
- 13:30 - 14:30: Continuation of Bilateral Meetings; ROK-USA Team Consultations
- 14:30 - 15:00: Team Deliberations—To Prepare ROK and DPRK Proposals for Move I
- 15:00 - 16:00: Presentation of ROK and DPRK Proposals in Formal Negotiating Session (**Move I**)
- 16:00 - 16:30: Team Deliberations—To Assess Results of Move I Negotiating Session

Thursday, April 8, 1993

- 09:00 - 10:00: Team Deliberations—For Development of Arms Control Proposals
- 10:00 - 10:30: Inter-Team Contacts—Bilateral Meetings Between Regional Powers (China, Russia, Japan) and ROK, DPRK, and U.S.
- 10:30 - 11:00: Continuation of Bilateral Meetings; ROK-USA Team Consultations

- 11:00 - 11:30: Team Deliberations—To Prepare ROK and DPRK Proposals for Move II
- 11:30 - 12:30: Presentation of ROK and DPRK Proposals in Formal Negotiating Session (**Move II**)
- 12:30 - 13:30: Lunch
- 13:30 - 14:30: Team Deliberations—To Assess Results of Move II Negotiating Session; for Further Development of Arms Control Proposals
- 14:30 - 15:00: Inter-Team Contacts—Bilateral Meetings Between Regional Powers (China, Russia, Japan) and ROK, DPRK, and U.S.
- 15:00 - 15:30: Continuation of Bilateral Meetings; ROK-USA Team Consultations
- 15:30 - 16:00: Team Deliberations—To Prepare ROK and DPRK Proposals for Move III
- 16:00 - 17:00: Presentation of ROK and DPRK Proposals in Formal Negotiating Session (**Move III**)
- 17:00 - 17:30: Team Deliberations—To Assess Results of Move III Negotiating Session

Friday, April 9, 1993

- 09:00 - 10:00: Team Deliberations—For Further Development of Arms Control Proposals
- 10:00 - 10:30: Inter-Team Contacts—Bilateral Meetings; ROK-USA Team Consultations
- 10:30 - 11:00: Team Deliberations—To Prepare ROK and DPRK Proposals for Move IV
- 11:00 - 12:00: Presentation of ROK and DPRK Proposals in Plenary Negotiating Session (**Move IV**)
- 12:00 - 13:00: Plenary Session II—Overall Assessment of Game

C. Note on Game Participants

Participants in the political-military game conducted in Seoul, Republic of Korea, at KIDA April 7-9, 1993, came from government and policy research communities in both the Republic of Korea and the U.S.

The 10-member team of players representing North Korea consisted of senior (e.g., office/division director) South Korean government officials and intelligence officers from the National Unification Board, the Ministry of Foreign Affairs, and the Ministry of National Defense; designated researchers from KIDA and RAND; and rapporteurs from KIDA and CAA.

The South Korean team consisted of similarly high-level political-military and military officials from the same ministries, as well as senior researchers and rapporteurs from KIDA.

The U.S. team included both ranking and working-level representatives from the Combined Forces Command in Korea, U.S. Forces Korea, the U.S. embassy in Seoul, and the U.S. Army in the U.S. (e.g., CAA officials). The rapporteur came from CAA.

Teams composed of experts playing China, Japan, and Russia were recruited from the senior research staffs at both RAND and KIDA; three players for each of those teams (two from KIDA, one from RAND) were selected on the basis of their knowledge, experience, and previous analytic studies of these particular countries.

Senior researchers from RAND led the Control team, which included counterparts from KIDA and CAA as well.